● SUNDAY TIMES
business news

ECONOMIC FORECAST
THE FIRST FORECAST TO TAKE ACCOUNT OF BOTH THE MINI-BUDGET AND THE CURRENCY CRISIS

- Mini-Budget: less effective than Barber thinks
- Currency: not a serious threat
- Massive boom in consumer spending
- Slow down in wage and price rises
- Unemployment up again this winter
- Balance of payments still going well

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US trade barriers will stay for 2 years

BY MALCOLM CRAWFORD, in London, and HARLOW UNGER, in New York

THE NIXON Administration expects to keep its new import surcharge on for about two years. There is no longer any talk of removing it if other countries revalue their currencies.

Moreover, senior Administration officials are now urging a system of quotas on Japanese exports to the US, on a product by product basis. Although Washington is exuberant over the Japanese decision to float the yen, there is absolutely no magnanimity in official reactions. On the contrary, feelings against Japan and Europe have hardened. Many responsible people feel that foreign countries were quite willing to plunge America into a depression.

The estimate of a two-year stay for the surcharge was given by Nathaniel Samuels, State Department Under-Secretary, to Common Market officials at the GATT meeting last Tuesday. Washington is clearly looking for appeasement of the US on the part of Europe and Japan.

The case for product quotas rests on the argument that the yen's higher exchange rate will not effectively deter Japan from exporting, because of the controlled nature of big Japanese industry. Japanese exporters, they argue, will simply accept lower prices and narrower profit margins on exports. So they claim product quotas are needed that will limit Japanese exports to America on the basis of volume rather than dollar values. This idea appears to have come originally from Congressman Wilbur Mills' powerful Ways and Means Committee (or someone on his staff). At any rate, Mills is expected to back the Administration.

The Nixon team also feels that it might be awkward, in terms of domestic politics, to take the surcharge off during the domestic wage-price freeze, which has provoked rebellion from several quarters. Although it is realised that the Common Market is as hard-hit as Japan by the surcharge, there is little sympathy in the US about this, because the Common Market countries have been imposing quotas on Japanese goods for many years. "So why do they think they can tell us we should let Japanese products flood our markets?" ask Washington officials.

Their demands are now widening, in the hope that the new Nixon protectionism will force other countries to lower their protectionist walls (such as non-tariff barriers to US goods) and perhaps gain bigger European contributions to Nato finances.

Japan buys time 37

Yen floats up by 5 per cent

THE YEN was effectively revalued upwards by 5% on the Tokyo foreign exchange markets yesterday, the first day of trading since the Japanese decision to float. The yen opened at a rate 342.20 to the dollar and closed 341.30, as against its official parity of 360 until Friday night. A total of about $160 million was traded.

Dealers in the market reported that the Bank of Japan had intervened, buying dollars at 342, so as to peg the revaluation at just over 5%, but this was not officially confirmed. It was also suggested that the dollar gained strength during the morning as Japanese banks and companies bought to replenish their reduced dollar holdings.

The Bank of Japan is expected to continue its interventions to keep the exchange rate under close control and to prevent the yen from floating more than 8% above its former parity.

Because of fears that revaluation would affect export prospects there was hectic trading on the Tokyo stock market: a near record 45 million shares were sold in the first hour and the share index fell by 48.41 points to 2218.78. But then major securities houses began to buy oil, construction and insurance shares and the market closed slightly above Friday's level.

Meanwhile US Assistant Economic Secretary Phillip Trezise is expected to arrive in Tokyo today to open discussions on currency realignment and to give a rather belated explanation of President Nixon's economy measures.

Photographs by Peter Dunne

Kelly's Kingdom: the derelict Ardrossan shipyard, built up then run down since he bought it in 1962

Has anyone here seen Kelly?

THE LAST slim hope that someone from private enterprise will take over the whole of Upper Clyde Shipbuilders as one unit has now faded. The failure of the Government and Scottish businessman Archie Kelly to agree on terms leaves Ministers no easy way out: either they have to swallow their principles and accept some form of the TUC's plan for the Clyde, or force through their original plan to carve up the group from four yards to two.

It emerged in Whitehall yesterday that Kelly told Ministers he wants only three of the four yards and would close one, presumably the former Connell's yard at Scotstoun. The Government, however, were finding this idea increasingly unattractive because the shop stewards at UCS have been insisting that all the yards be kept open so the chance of an agreement between the unions and Kelly was always extremely unlikely. Nevertheless, the Government is seriously considering the TUC's plan for a Clydeside Development Authority to ease the critical unemployment situation in the Glasgow area.

Both the Government and the men leading the UCS "work in" pinned slightly exaggerated hopes on a rescue by Kelly. His offer to put up £1 million for the whole group was patently too little: even Kelly would admit that a rejuvenated UCS will need between £5 million and £10 million to get going again. But Kelly was the one straw to which both sides could cling to save face.

The stewards' enthusiasm for Kelly's plans, which may have been prompted by a fear that the work in will not work out, was not shared by the whole of the Scottish labour movement. A number of Scottish MPs, including David Lambie, the member for central Ayrshire, have serious doubts about what would happen if Kelly took over all the yards. Lambie points to the time Kelly ran, and eventually closed, the Ardrossan Dockyard, which is just outside his constituency.

The Ardrossan Dockyard is now derelict. All that is left are a group of red brick buildings, their windows broken and roofs gaping open. The dock entrance is filled in with rubble except where the ferry boat from Belfast ties up. Much of the yard has now been demolished, and the rest will be filled in to make a car park or a storage area for containers.

Out of all this Kelly has emerged with cash in the bank which he is ready to spend. He has sold the valuable assets and allowed the Ardrossan Harbour Company, which is next door, to buy out the remainder of his lease on the land. The story of Ardrossan Dockyard reveals much about Kelly, and the style of business which has taken him from "just a bag of tools" to ownership of an engineering company and a ship repair yard in Ireland which, by contrast to Ardrossan, has been able to expand its workforce.

Kelly bought the Ardrossan Dockyard, which used to be the town's old harbour, in 1962. Even then it had seen better days. At its peak the yard, which built small coaster vessels and the occasional ferry boat, employed 800 men; when Kelly took over this had slumped to around 140.

Kelly has based his success on buying almost broke companies, then rebuilding them. His first purchase after leaving his job as a ship's engineer was a company making sugar refining machines; he paid £50,000 with money he and his wife had made by "working bloody hard." He paid somewhat more for Ardrossan Dockyard which was, recalls James Black, a boilermaker there at the time, "full of out of date equipment."

Immediately Kelly set about making it profitable: he stopped the gates of the dry dock from leaking and bought a second-hand crane. Then he won some contracts for repairing small navy ships. He virtually ended shipbuilding: only a barge was constructed all the time he was there. He also set about industrial relations and he expected all the men to work as hard as he did. One local man remembers: "All the trades were paid a good rate, and there was no demarcation. Kelly got his pound of flesh." But there were no strikes.

However, the trend in ship repairing was going against Kelly: the bigger ships were too large to get through the dock gate. This did not stop him making money. The last filed returns, for 1969, show a turnover of £215,200 and a remarkable pre-tax profit of £122,144. But when the Ardrossan Harbour Company offered to buy him out he accepted. The workforce by then was down to only 40.

There is little doubt that Kelly took a sensible economic decision, from his point of view. But it has left an impression in Ardrossan that he took what he wanted from the yard and then ditched it. "He is known here," says David Lambie, "as Close Down Kelly." Kelly could still have the opportunity to disprove this nickname if he takes over just the former John Brown yard at Clydebank. This, quite bluntly, would seem best suited to his particular talents.

John Fryer

Archie Kelly: last hope for the unions

Bank pegs sterling rate

THE BANK of England entered the market on Friday to hold the pound's exchange rate steady at just over $2.47. Until Friday, the authorities had let the market find its own levels. For the first three days, the rate ranged between $2.43 and $2.47. Then on Thursday it hardened up, selling briefly as high as $2.4850.

The Bank's intervention on Friday to hold the rate down plainly implied that the Bank wanted to signal the exchange market what rate it wanted to prevail. Not coincidentally, perhaps, the closing rate on Thursday, $2.4720, is 3% above sterling's parity of $2.40; while 3% is the new limit said to be proposed by the US Treasury to the IMF for its amendment to Fund articles to permit wider exchange rate bands.

Britain is therefore informally on a system of wider exchange rate margins (at least as far as the upper end goes—the Treasury insists that the $2.38 floor still applies, which means that if the market rate fell again to that level, the Bank of England would support it there).

Top Nixon law man in loan scandal

ASSISTANT Attorney General of the United States, Will R. Wilson last week joined the cast-list of the biggest political and share-rigging scandal of recent years —in the wake of an all-star cast which includes the Houston Jesuit Fathers and the Governor of Texas.

Wilson is assistant to Attorney General John Mitchell, and head of the Justice Department's criminal division. He admitted taking loans from banks controlled by Texan banker and property developer Frank W. Sharp, the man credited with developing the boom-town of Houston. Before the Securities and Exchange Commission last week, Sharp accused Wilson of finding ways round Texan banking law. The ways allowed Sharp to buy one of the insurance companies the SEC says were 'systematically looted' in share-rigging deals.

Sharp has pleaded guilty to two minor charges, and now has immunity from further prosecution. Wilson denies any hand in obtaining that immunity, granted by the Justice Department. He also denies advising Sharp.

What Wilson confessed was a $30,000 unsecured loan made by a Sharp-owned bank as recently as August 1970—just six months before Sharp was accused by the SEC of "looting" banks and insurance companies under his control. It was not the first loan. In 1964, Wilson borrowed $50,000, bought five acres of land, and used the land to secure another $50,000 loan. Later he borrowed $167,000.

Sharp stands accused of feeding shares in his companies to prominent Texan politicians and then manipulating share prices to ensure huge profits for them.

In the most notorious case, Sharp is accused of costing the Jesuit Fathers $6 million, by lending State Governor Preston Smith and chairman of the State Democrats Elmer Baum money to buy shares in one of his companies. Sharp took the shares as collateral on the loan. Later, he used his investment powers for the Jesuits to buy the same shares well above market prices, leaving the Jesuits with a $6 million loss and Baum and Smith with a magnificent profit.

Sharp has pleaded guilty to two minor charges—selling unregistered stock and making a false entry in a bank ledger. The Justice Department has granted immunity from further prosecution in return for help with the Grand Jury investigation into the affairs of his empire.

Harlow Unger

SHOP!

Edited by BRENDA JONES

Service with a snarl

Tear-stained letters fluttered onto Shop's doormat all week following last Sunday's story of one man's trouble with his cooker, all of them telling horror stories. There is the £140 Moffat cooker, collected for repair by the manufacturer in March and not seen since; the GEC colour TV still waiting for repair at Curry's after seven weeks with no replacement offered in the interim; and the lady in Liverpool who waited six months for a new grill pan to arrive from the electricity board only to find when it came that the pan and handle were packed separately and there were no screws included. The showroom staff was amazed: "But, my dear, didn't you order the screws?" So never take anything for granted.

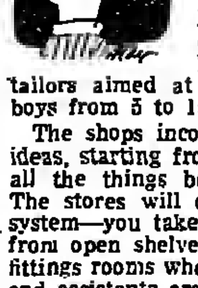
One reader found that a solicitor's letter to the manufacturer worked wonders after a long delay, another had written to the Electricity Council in London and found it helpful and effective and another suggested approaching the Electric Consultative Council for your area. These were set up by the Department of Trade and Industry to represent the customers interests to the board—the address will be in your local showroom, or may be on the back of your accounts.

Finally, I must tell you about Mr Frampton of Leamington Spa who found the grill on his cooker wasn't working and rang the gas board just before 5 o'clock on a Saturday. Engineers arrived at noon the next day and, finding the family using the cooker to prepare the Sunday lunch, obligingly went away, returned at 2.30 and mended it. They explained that the installation and service departments had been amalgamated, so that when men weren't busy with installations they could help with servicing. So you see, something can be done. And congratulations to the East Midlands Gas Board.

Heinz meanz stamps

YOU MAY NOT have steeled yourself to think about Christmas yet, but the commercial world is already doing it for you—and not just the card and gift people. Heinz, of the 57 varieties, last week started suggesting that its soup could help with your Christmas postage. Its advertising agency, Young & Rubicam (those wonderful people who brought you all those appealing little boys reciting poems in praise of Heinz baked beans), has now co-opted the Post Office to help sell more soup. Until December 11, anyone sending Heinz labels from eight of their soups (all different) will get for free six of this year's special 2½p Christmas postage stamps. And as an incitement to philatelists, those who rush their labels in before October 6 will receive the stamps in an envelope franked with the first date of issue postmark October 13.

Boys only



If you think the name Orange Hand sounds like the sort of secret societies that abound in children's comics and delight small boys you're on the right lines. It is the name of a chain of shops launched last week by Burton's the tailors aimed at selling leisure clothes to boys from 5 to 15.

The shops incorporate a number of good ideas, starting from the first one of putting all the things boys need under one roof. The stores will operate on a self-selection system—you take the goods to a cash desk from open shelves and racks, but there are fittings rooms where clothes can be tried on, and assistants around to advise. And there are chairs for exhausted mothers, too, and lavatories for desperate sons—something that anyone shopping with children knows to be essential but which even major stores like C & A lack. All the goods will be labelled to show size, price, fabric, country of origin and care instructions.

The clothes are rather attractive and will follow current fashions. They range from rugged jeans and sweaters with patches on knees and elbows to cord suits and velvet trousers, pretty shirts and tough, warm jackets. The shops will also sell shoes and accessories from shoulder flashes to conker bags. The first four opened last week in London at Golders Green, West Ealing, Watford and Kingston and three more will open at Wembley, Croydon and Manchester next month.

Squeeze me

IN THE surge of labour-saving devices aimed at cutting down time spent in the kitchen, it's surprising how few manufacturers have bothered to tackle the often back-breaking chore of mopping the floor with real efficiency. Prestige, which brought out the best thing so far, the Minit Mop, has now improved its own design with a de-luxe version that naturally costs more: £2.35p. As compensation, it seems more efficient at squeezing out dirty water by squeezing in half lengthwise down its middle instead of across. The company claims, with refreshing exactitude that it is 17% more effective.

Numbers obtainable

Londoners seemed to be in danger of losing one of their privileges last week. It has always been possible, though only if you live in the capital, to find a telephone number through Directory Inquiries even if you only know the address you want, not the name. This could be handy, for example, if friends had just moved into a house and you knew where it was but not the name of the old subscriber.

But last week a colleague was told that the system had been cut off because, the girl assured him, so many houses now have more than one occupant it was becoming impossible to keep track of them. I checked with the Post Office, however, and this isn't true. The only change is that it no longer gives a street guide to every telephonist because their desks were starting to overflow with books. So now there are just a few in each office. If the girl you speak to can't help, she should pass you on to someone who can.

The service doesn't exist outside London, simply because it never has, and no one seems in a hurry to introduce it. Perhaps local consumer associations should think about it?

business news City, investment, money

Financial Editor GRAHAM SEARJEANT

One from world's star market

THE MINOR stockmarkets of the world have an astonishing habit of out-performing international investment centres like London, New York, or Tokyo. This makes selection of the optimum international investments very difficult, and even if you do pick the market correctly, there are often little local difficulties in choosing the right companies.

Austria, a star performer in the mid 1960s, has 80% of manufacturing industry under state direction.

In Spain a state-owned "octopus" holding company, INI, controls most of the companies yon can think of. In addition, Spanish accounts, which only have to be published for quoted companies, are so much of a fiction that even the Government levies taxies in a separate deal with each company.

Sweden has sophisticated capital markets, hut Swedish multinational companies are looking overseas, particularly to Germany, for shareholders and new money. The reason could bc the enormous economic power wielded by a handful of Swedish families, often through their own hanks, which includes domination, if not control, of the stock market.

The star market over the last year has been Norway's. This tiny country of 3 million people has an appropriately-sized stock market. At least one Norwegian company, Borregaard, is familiar to UK investors hecause, until just after the war, this paper and chemicals company was domiciled and quoted here in London. Tha largest quoted company, Norsk Hydro, in which the Government took its dominant shareholding to a controlling 51% in March this year, bas been largely responsible for the rise of the Norwegian investment temperature.

EUROSHARE

NORSK HYDRO A/S
Share Price: Kr 180 shares
£68¼ (Kr 1,160)
Dividend Kr: 10.8; Yield 1.0%
Profits 1970: £2.66 million P/E ratio 34
Market capitalisation: £123 million
Sales: £60.5 million
Number employed: 7,500
Dollar premium: 23%

Norsk Hydro shareholders raised feverish nationalistic hopes on North Sea oil, first discovered in the Norwegian sector of the North Sea. As with Belgian Petrofina, which we wrote ahout last week, international investors followed local fervour. According to statistics on 1,000 major international companies compiled hy Capital International SA, of Geneva, Norsk Hydro has far and away outperformed all major equities with a rise of 280% over 12 months. In recent weeks French speculators have pushed the shares even higher. Norsk Hydro's main exploration partners are the three French oil companies Elf, Aquitaine and CFP (Total), and they are active in the north Norwegian area.

Hydro actually has some oil, having exercised its options for a 6.7% stake in the Phillips/Petrofina consortium which has discovered possihly 300,000 harrels a day in the Ekofisk structure. In addihon there is the adjacent Eldfisk and Torfeld oil wells which bave yet to be proved. The Norwegian State is also in for sizeable profit sharing deals on many other hlocks in its sector, and it seems likely that this economically isolated country would take this in the form of oil.

Already, significantly, the first commercial oil to be pumped out of the sea into a waiting ship is headed for Norway. Hydro, the largest chemical and metals company in Norway, recognising the new era is now about to construct a £35 million refinery in the West of the country, going on to start a petrochemicals industry there.

Hydro condncts an uneasy love-hate relationship with the Norwegian Government, hnt still has been in the van of the country's economy. Originally formed to exploit Norway's main natural asset, waterfalls, for hydro-electricity to make chemicals, particularly fertilizers, Hydro has hranched out into making plastics and electrometals magnesium (second in the world) and aluminium.

Far from the world markets for hasic products, Hydro has had to live on its wits exporting 70% of all it makes. It supplies, for example, a sizeahle chunk of the PVC plastic used in this country. This has made earning a living very difficult and profits over the last decade have halved and almost disappeared in 1967. Just at this moment, however, investors the world over are willing to forget little things like that to gamble that the North Sea tide will turn Norway and Norsk Hydro's fortunes.

James Poole

How the new bank systen can cost YOU double

"THE SYSTEM," said the man from Banking Information Service, "is a perfectly good system. It is the checking and the working of the system which has teoded not to go as smoothly as we had hoped."

The system is direct dehiting, an arrangement between your bank and the people to whom you pay money regularly which allows your creditors to ask for the money and get it—rather than your bank *paying* money out regularly on your behalf hy standing orders. The onus of demanding the cash lies with the creditor company. Which is a very convenient system for huilding societies and insurance companies—who account for the bulk of the estimated 3.5 million transactions which appear on hank statements each month marked "D D." They bave a far closer check on the money they are *getting in*. So the inatitutions to wbom you have sent standing orders now ask the hanks for a fixed sum of money eacb month, the amount you originally authorised on a standing order. And the way this system works can cut across all banking principles.

Take the *case* of Mr S. He is close to the end of a mortgage on *his* bouse. Each month be pays a fixed amount. He thought he was paying hia huilding society by standing order; in fact, ha paya by direct dehit. None of the clearing banks said anything about the change to its customers. The hanks plead that "it was just an accounting cbange." This is despite pressure on banks to cut charges—standing orders cost a fixed 10p, D D cost around 5p, if you pay charges at all. The banks did not advertise their charge cut. And in June Mr S. found that *the change could affect more than* the bank's accounting. That month, he was charged too much. The bank—Lloyds—paid out more than he had authorised.

He tracked the reason to the local office of the Abbey National building society. A clerk there had assumed that his fire insurance was paid out once a year; in fact, it is compounded over 12 months. The building society asked for the premium money, and the bank paid. Mr S. protested loudly, and was told that the matter would be settled.

It should bave *been* settled at once—on the spot; when the banks started the direct debit system, back in the autumn of 1967, they allowed firms to use D D only *if* "they were the sort of firms you'd lend £1 million to" and on condition that they signed a tough indemnity. Bank policy, backed by that indemnity, is to refund wrong paymeots at once. So it sbould be. It is Mr S.'s money, and the bank cannot be left to decide what should be done with it.

Direct dehit can be embarrassing in other ways. The creditor company sends the hank each month a demand for the casb. If it forgets to do so, if the computerised system slips up, then payments can build np.

Mr R. pays out £28 a month to an insurance company. He does so by direct debit—with which the bank—Lloyds again—*replaced standing orders* last December, without telling him. The insurance company gives six weeks notice of the change to banks, and waits for confirmation that the change has been made.

Even so, payments went adrift in two months; and only caught up with Mr R.. in March. Mr R. had qneried his over-bealthy bank halance, and his bank wrote to the insurance company—Commercial Union Assurance. The bank wrote in March—banks are supposed to take direct debit queries straight to the top of the company *concerned*, and then *straight to* the top of the clearing hank which originally vouched for the creditor company's standing. ' system did not work. Last mo Mr R.'s bank wrote to apolo for delay in answering queries. It had not yet, it s had a reply from Commer Union.

In the early months of direct debit system it was c mon for customers to pay twice in one month—once on new direct dehit system, once on a standing order wl the hank had forgotten to ca

If Mr R and Mr S had not b among the minority who cl hank statements carefully, t problems this year — like teething prohlems of the sys —might never have come to li And for the customer whose ments are made by D D, the advantage is cheaper b cbarges than on standing or

Firms asking for *m* applaud the system—typical other banks, Royal Bank of S land reports that 18% of all fixed payment business is nov D D, up from 13% last year, climbing steadily. Half of Al National's income from mort repayments comes on D Ds.

The banks' original decisio introduce D D was stimulate Unilever's interest, and the ac support of the British Insur Association. But the catch the system is that only l firms with centralised accoun procedures are *trusted* to D D, and it is precisely th firms which can trip up o handful of cases in their files, so shatter people's contin illusions about how clea banks operate. Commer Union's system involves c puters whicb will reject statement where money wa and money received does *tally in any given month*; that system is oot foolproof.

The moral is to check wl of your standing orders h gone over to D D, aod to ch your bank statement *met* lously. Because cleariog ba 'sometimes make other mista

A London rabbi had a sr property company, funded v an overdraft of £5.000. company owned two bouses, the rents were to provide rabbi with a pensioo. Eacb y only 40 transactions went thro the account—rents in, and r ont. On the overdraft, the pany paid 1% interest over going rate.

In 18 months, the overd failed to declina as the bank pected; the rabbi had paid 450 gns. in charges. It cou have been the bank mana time that came so expensive the 18 months, the rabbi had the bank manager once, for t minutes in the hanking wben he was told "not worry" about the account

And on the first letter fro *firm of accountants*, the *immediately repaid £210 of charges*. The accountants fighting for the rest.

It pays to watch wbat bank is doing with your mo as a defence against what Consumer Association "the terrible arrogance of banks." It can also pay to r a fuss. Banks are just husine and fallible.

Michael

business news City, investment, money

Trumans: a £1·5m hangover

HO WOULD have thought it ossible? After all that hitterss as the brewery bid battle for rumans reached its grandstand nish, it has ended up as a bumer bank holiday bonanza with izes for almost everyone in the ity. Maxwell Joseph and Grand etropolitan get Trumans. Watys gets a £2.2 million capital in on the shares it had bought id a vital beer supply arrangeent; Truman shareholders bave ubled their money. But perps the best returns go to those ho participated in the two onths of arguing, persuading d sheer administration inlved. For the cost of this lded up to £1¼ million on my lculations, a staggering amount r a £50 million take-over. For ose of you who are worried out your bank charges it is a lulary lesson in see how they n really build up.

Not surprisingly the biggest turn for least effort goes HM Government—roughly 00,000 in stamp duty paid by and Metropolitan. The rest is vided between the merchant nkers—S. G. Warburg for and Met and Guinness Mahon r losers Watney—and all those o sail with them.

To start with, buying a bank's out skills, time and effort for two-month struggle of such susned intensity would cost a nimum of £100,000—almost rtainly more if you are on the nning side. In addition each py of every document sent out both sides to Truman's more an 4,000 shareholders would st an average of around £1 print, process and post—good ws for the two printers volved, Greenaways and Extel's bsidiary Burrup Mathieson.

Then there were the advertis campaigns. At the height of ttle these would cost the contaots £3,000 a week in one wspaper alone—and there were any, thank you very much. en all the persuading had its ect, processing each acceptance sts at least £1, which naturally ects the winner more despite neck-and-neck finish. And by time your bank is putting in 250,000 bill for its side of the me there are also lawyers, accountants, advertising agents and in this bid, above all stockbrokers with their hands out.

The city establishment gets a cut via underwriting. Watney had its price underwritten on 1.4 million shares, which cost £70,000 even though they were not finally needed and Grand Met spent perhaps £50,000 underwriting the warrant part of its offer. But ironically the institutions missed out on the real cream. Had Watney won, its prior arrangement to sell Truman shares to friendly institutions at a discount to bolster its borrowing power would have come into force. And that could have cost up to another £1 million.

Even so, when you add up the sums, Watney will not have got away with much less than £400,000 to offset against its Truman share profit, while Grand Met's bill should top the £1 million—without the cost of Truman.

Waiting for a lift

"ALL THE fundamentals look wrong for BSA, but you cannot argue against gut reaction." As an explanation of why BSA's share price continues to stand up around the 22p mark that comment from one broker last week sums it up. The bargain basement boys are in on the theory that as the much-rumoured bankers' ultimatum has been and gone, the way is clear for BSA to pull itself up by its bootstraps if no one else will.

Although negotiations are still going on with various interested parties, the outsiders seem to be disappearing faster than they arrive. Canadian Bombardier was, I gather, hardly there at all, while GKN may have been interested in the sintered metal business, but did not go much on motor-cycles. Meanwhile, the internal pruning gathered pace with a vengeance last week. After the Redditch factory sale out went Birtley Engineering for £250,000, and 17% of Alfred Herbert for a startling £1¼ million —which as one cynic remarked, sounded like five weeks' wages. There is still the more valuable stake in Sealed Motor Construction, provided that company will agree to a variation of terms so it can be sold now, or the profitable taxicab body business, where British Leyland might well be a willing buyer. In the longer run there is always the sacred Smallheath plant.

This tough scorched earth policy should overcome the immediate liquidity crisis; but it leaves a motorcycle business with desperate trading problems.

What will happen to the bikes so hastily produced at full steam after the American selling season had been missed? Price discounts or the cost of conversion into 1972 models were apparently not allowed for in Cooper Brothers' estimated £3 million loss. How will dealer loyalty be regained in America when the dominant Japanese are invading BSA's sector of the market? Who will reshape management in the UK and America? How will demand stand up to recent big price rises plus the import surcharge? Unless the outsider does intervene those tiresome fundamentals mean that BSA on its own is not worth 22p a share today.

A Classic mistake?

PESSIMISTIC CITY men who wondered how filmmaker Tigon was going to pay for Classic Cinemas in the context of Section 54 of the Companies Act —which says you cannot buy a company with its own money— need not have been so doubting. The apparent trouble was that Tigon had net assets of only £345,000 but was to pay £7 million cash to British Land for the latter's Classic Cinemas subsidiary. But as last week's details of the deal make clear, this was not as it turned out, a problem.

Tigon is not precisely paying £7 million for Classic's capital. Only £1,988,000 is going on the equity itself, which has an asset value, after allowing for a property revaluation, of £6,000. The remaining £5,012,000 is to repay Classic's indebtedness to British Land. So it is quite all right for £2.3 million of the payment to be raised by Classic itself via a five-year Eurodollar loan secured on Classic properties. The main drawback of the arrangement is that the loan carries a first charge on all the Classic free-holds, valued at £4.16 million and some of the leaseholds, which does not leave too much security over if Tigon ever wanted to raise more secured loans.

One question these details do not answer, however, is whether chairman Laurie Marsh has done a good deal for his Tigon shareholders. This is because Tigon is to raise most of the rest of the wind, £3.5 million, by a share issue next month. With Tigon's share price suspended at a nominal 89p, no-one yet knows how many new shares will be issued or at what price. Hence we do not know what effect the deal will have on Tigon's earnings or assets per share.

It all depends on what value the market is prepared to put on the much enlarged company. That valuation will be based on earnings not assets, since, whichever way you look at it, Tigon is paying at least £1.3 million more than asset value for the Classic chain. Classic is forecast to contribute £334,000 of earnings in 1971-72 and three months ago Tigon forecast £135,000, making £469,000 together.

If Tigon is to maintain its pre-suspension price of 89p let alone the heights predicted since, the group must be valued on requotation at £7 million or almost 15 times forecast earnings. That looks fairly generous compared with the original private placing or the ten and a half times earnings which Tigon is paying for the Classic shares. It looks even more precarious compared with other thrusting entertainment stocks like MAMs currently at 5.8 P/E, Scotia at 6 or the more asset-strong Pleasurama at 9.1.

Now it is possible—I say no more—that Tigon has been able to raise its own forecast since its May prospectus. But it may be that Rowe, Rudd, the brokers to the new issue, will have to do some hard persuading if the smart speculators who rushed the Tigon price up in anticipation are going to look all that smart after all.

Cyril Stein: running faster

A disaster on the up and up

ON THE FACE of it, British Industrial Holdings is a disaster. With first half profits halved to £195,000 (from £427,000), the interim dividend was passed and the shares have collapsed to 17½p. The second half could be even worse. The preliminary figures for the year ending June, due in a few weeks' time, are expected to be much the same as in the first half, which implies a fall of nearly £400,000.

But hidden in the gory details is a story of very considerable recovery potential. The point is that the building division, which alone has been the cause of all the problems, is now breaking even, and with those losses no longer cutting into the group's other activities, the recovery in profits will be sharp. In 1969/70 for example, the building division contributed 11% of the company's £1 million profits. The rest came from steel stock-holding, the agency concession for Grundig audio equipment, Plyglass double glazing units, precision plastics, electrical relays and the Elizabeth Ann range of kitchen cabinets.

The problems first: the building division had been overambitious and badly organised.

TIME TO BUY

BRITISH INDUSTRIAL HOLDINGS
Buying price: 18p;
1971 high: 30p; low: 16p;
Latest estimated P/E: 8;
Latest estimated profit: £390,000.

This was recognised early last year, and the top management was reshuffled during the spring and early summer. In that year, 1969/70, the building division's contribution dropped from 27% to 11%. But the real write-offs were to follow. In the first half of 1970/71, these totalled £346,000. In the second half the £400,000 shortfall will again be entirely due to the building division.

So total write-offs and losses for the year total £746,000. As this division contributed about £110,000 to the previous year's profits, a simple sum shows that the rest of the business made just over £1 million during 1970/71.

Now that the building losses have been eliminated, the earnings position of BIH looks very strong. Even taking the worst position, and assuming that the £390,000 or so pretax profit for the year is taxed at the half year's rate, profits attributable to ordinary shareholders would come out at £234,000. This would put the company on a P/E of 8. Eliminating the building losses drops the P/E to less than 3.

Meanwhile, the consumer durable boom is doing great things for Grundig. Since Grundig is at the top end of the standard audio market, the price effect of a D-mark revaluation should not be great.

On the steel stockholding side, the move from Brierley to the much larger facilities at Tipton has boosted throughput, and the company is looking for a substantial profit increase here this year. The Plyglass factory has been working at capacity and will be moving to larger premises at the end of this year.

BIH will be paying a final dividend (of possibly 10%). And its net assets total a healthy £2.5 million, against a market capitalisation of £1.8 million. Within this, some £4.5 million is held in land at cost. It is the sort of stock that could be double its price by the end of the year.

Aziz Khan-Panni

No Maltese Cross for Cyril Stein

LADBROKE'S has been on such a growth curve, with profits rising from £899,000 to £1.1 million to £2.4 million in its last financial year that the news last week from Kursaal, its hotels and casino subsidiary in Malta, where profits fell from £290,000 to £200,000, may have made some shareholders apprehensive. Was politics cutting bookings?

The problem in fact was not so much Kursaal's hotel side— advance bookings there are higher than last year. But Malta's tourism has definitely fallen off, and with it a good deal of the casino business. For the current year, Kursaal is budgeting for a profits recovery to £250,000.

Chairman Cyril Stein's problem is not so much profits as image. With the number of betting shops increasing every year, the Ladbroke coffers are pretty full. You can play the growth game with him. "Mr Stein, you've gone ex-growth if you don't make £3.5 million next year," Stein will murmur deprecatingly and then say that he would be surprised if he didn't make it. Last year, for example, the company was operating 556 shops. In the current year, Stein is budgeting for 800 shops.

All this increases the profitable and relatively less risky cash betting business. Last year's cash betting turnover of £68 million compares with £45 million in the previous year, and the rate of growth should be sustained this year. The cash flow is huge. Even the betting tax which is collected is paid over a month in arrear and provides Ladbroke with interest free money. A measure of this power is that the diversification into hotels—three are presently under construction— will be financed entirely out of cash flow and by a small bank overdraft facility. The maximum cash liability at any one time is in fact expected to be only £900,000 on a total outlay of £3 million.

Bingo is also scheduled; negotiations are on for a small chain of seven halls in Liverpool; and a deal has been proposed to Town and City Properties for suitable city centre sites.

The trouble with all this diversification is that it may not be as profitable as Ladbroke's betting business. But hotels impart solidity. And as Stein is ambitious and wants to use his paper in acquisitions, that solidity is valuable if it can be turned into a higher market rating. Meanwhile, Ladbroke's historic P/E of 9.3 at 247p and projected P/E of less than 7 may look cheap. But as profits growth has kept up with the doubling this year in his share price, Ladbroke is no further on. And that, for Stein, is dispiriting.

A Ralli bid for Wood Hall?

MARKETMETER

Ralli International is the rket's candidate to bid for od Hall Trust as a way of osting its Australian interests. anwhile, Ralli's existing 71% ned Perth-based subsidiary, stralian Securities, is booming. ter-tax profits of $960,000 are recast for calendar 1971 ompared with the equivalent of 68,000 in 1970), and Westralian s become an important leg of lli's Australian plans. With its ntribution to Ralli's earnings bled to £318,000, it should be seful contributor to the 25% provement I expect in the er's earnings per share.

On Wall Street the Nixon rally tinued unabated last week, h a 27.24-point jump in the v Jones industrial average 908.15, making a 6% jump in two weeks of the new economic cy. Steel issues led the ners, following word that the surcharge would apply to orted steel, despite existing ntary quotas. US Steel poration gained 3⅜ to 34.

Part of the glamour rubbed on holiday-bound London kets, where The Times Index ed 2.64 points to 168.28. es are still moving in fits starts like the sudden and porary collapse in engineering es on news of the record e demand on Friday. Just thing for the jobbers' profits.

Chrysler UK, with most of the sixth of its booming production going to its US parent company in 1971 already delivered, survives Nixon's import surcharges for this year. But its parent, with all options open on where to build sub-compacts, could get tougher when negotiations for next year's batch begin. And with £3.3 million of losses last year, Chrysler needs the US to keep up early 1971 profitability. Since 1964 was the last year when it had money from profit to pay dividends on Ord and "A" Ord shares, both lie near par at 24p and 22p respectively. A now slowly dropping market share makes a 50% production hike in the first six months of this year, compared with last, seem a less exciting windfall from industrial peace.

● Tremletts is on the verge of making a £3 million bid for a private engineering company which should bring down its P/E of 22.6 at 177p to 12. Payment will be in cash and partly on a deferred settlement basis.

● Armour Trust's second forecast of £180,000 should be just beaten when its preliminary figures are released in mid-September. With the colour TV boom its TV finance business is bounding ahead.

● Davy-Ashmore fell back 6p on Friday to 54p on the confirmation in its annual report that the predicted recovery to £3 million profit a year by the end of the year will not take place. Readers of my pessimistic comments will not have been surprised and will know why. Davy faces a falling process plant market and stiff competition. The shares are still a sell.

PROJECT MANAGER

Midlands

for a Company manufacturing a variety of special purpose machinery including paper converting, packaging, printing and fast repetitive mechanisms. Employs over 2,500 and sales expanding at more than 16% per annum. The Project Manager will report to the Senior Manufacturing Manager and will be responsible for the special purpose design and modification of new machinery, all of which is based on the sales plan. This will include realistic cost estimating, the manufacture of machines and production programme, also commissioning. All operations are carried out within a system of budgetary control. Candidates should offer a proven record of success in a similar or related role and preference will be given to a qualified engineer. Further prospects are excellent. Age 30-40. Around £5,000.

Reference: 30430/TS (P. Egerton)

All letters will be treated in strictest confidence and should be addressed to the consultant quoting the reference number.

AIC Executive Selection Division

Trainees for organisation and methods work

Applications are invited from men aged 23-28 for training in Organisation and Methods including measurement of clerical work and, if satisfactory, for appointment to the permanent staff of the Legal and General Assurance Society Limited. Training will begin on 17 January 1972, and including practical work on assignment will last 7 months.

Applicants should preferably be educated to Degree or 'A' level standard, although the minimum qualification is at least 6 'O' level passes including English Language and Mathematics. They should have drive, ambition and adaptability and experience in clerical work, preferably in insurance.

There are good opportunities for advancement. Successful applicants can anticipate a salary, after training, of not less than £1,660 per annum at age 23. They commence at not less than £1,500.

Write to: H. A. Mann, Esq., Controller, Management Services Administration, Legal and General Assurance Society Limited, Temple Court, 11 Queen Victoria Street, London, EC4N 4TP.

Legal & General

OPPORTUNITIES WITH FORD AUSTRALIA

We have vacancies in the following activities at our Product Engineering Centre in Geelong (45 miles *from Melbourne*):—

POWERTRAIN DESIGN/DEVELOPMENT

These engineering positions require a knowledge of transmission and/or rear axle technology with some experience in gear design.

COMPLETE VEHICLE DEVELOPMENT

These positions require experience in the suppression of noise, vibration and harshness in passenger vehicles. Alternatively, experience in exhaust system development, ride characteristics or vibration analysis will be considered.

QUALIFICATIONS

HNC through to degree qualifications are desired but lesser qualifications may be accepted where experience is particularly good.

GENERAL

These positions offer top salaries, a wide range of staff benefits and excellent career prospects. Passages to Australia and initial accommodation will be arranged for successful applicants.

APPLICATIONS

Interviews are being conducted in the U.K. now. Accordingly, applications, stating full personal details and work experience, should be addressed as soon as possible to:—

Mr. K. J. McDonald,
Ford Motor Company of Australia Limited,
C/o Anderson Jeffress Advertising Limited,
23/28 Fleet Street, London, EC4Y 1NE.

Civil Engineer—Near East

Applications are invited for the following appointment to a major highway project approximately £2,500,000 in value, two years' duration, starting in the near future.

PROJECT MANAGER

Preferred Age: 35-50 years.

Qualifications: Corporate Membership of I.C.E. or equal.

Experience: Some five years as Project Manager Agent on major civil engineering works. An essential requirement is experience on Motorway or major roadworks of at least £1,000,000 in value.

Applications in writing only to:

FARRANS LIMITED

CIVIL ENGINEERING CONTRACTORS, DUNMURRY, BELFAST

Leslie Coulthard Management

Brettenham House, 14 Lancaster Place, London WC2 Telephone 01-240 1605

Personnel and Management Consultants

Unless otherwise stated all replies, quoting the reference, will be handled in confidence by a consultant.

Managing Directors Textile Marketing

An expanding Textile Group enjoying significant city backing is reorganising its marketing function to increase its penetration and rate of growth. Three marketing companies are to be developed which will be responsible for the product planning, design, pricing, and selling on a world wide basis, of high quality ranges of woven and double jersey fabrics. Current turnover in these products is around £3m. The Group now seeks three ambitious aggressive men in the age group 26-40 with most of the following qualities:

—Graduates or similar
—Knowledge of and experience in marketing textile goods
—Flair and feel for fashion
—Ability to negotiate with tough-minded customers
—An understanding of pricing strategy, costing and quantitative method

After a short probationary period the selected candidates will be appointed as Managing Directors of their companies and be responsible to the Divisional Managing Director for their rapid and profitable development. Salaries will reflect the responsibility of the posts and will be adjusted to suit the needs of the three best candidates. Fringe benefits (including car) and conditions of service are good. In addition, those selected will have the opportunity to join a share incentive scheme currently being developed. For reply instructions see footnote.

*Ref: MD/335/ST

Financial Director £5,000

An unusually exciting opportunity to join a young top management team in a recently established company marketing fast moving consumer goods is offered to an accountant—CA or ACWA—who can provide the administrative backing to permit further dynamic growth. He will control and develop a comprehensive management accountancy service, making use of a computer bureau and take part in the day-to-day management of a fast growing operation budgeted to double its turnover to £2 million in the next 12 months. HQ in a delightful residential area west of London—possibility of share options. What else does a 28-38 year old want in 1971?

D. C. Davies Ref: FD/336/ST

Financial Control £5-6,000

One of the leading UK groups engaged in the service and leisure industries requires a qualified accountant to groom for a senior appointment within 12 months. Initially he will work with the young Group Financial Director and through him exercise control over a wide range of subsidiary companies gaining the experience to take over in one of the groups largest divisions. Aged 32-40, he will almost certainly be a big company man but more important is breadth of business experience and an ability to tackle problems and achieve results. Based on London the appointment necessitates extensive travel. There are excellent conditions of service including removal expenses, a car and an attractive incentive scheme.

D. C. Davies Ref: FC/334/ST

Financial Controller c.£5,000

An International group with turnover around £100 millions is strengthening its UK financial management team. Group philosophy dictates totally decentralised profit and accounting responsibility and the new man must be dedicated to this approach. He must be a qualified accountant with a broadly based background of industry both in small and large companies—he must be commercially aware and experience of consultancy could be advantageous as could a knowledge of EDP related to stock control and accountancy. His prime tasks will be to introduce modern accounting systems, improve the quality of financial information and its interpretation and rejuvenate the function in close liaison with the M.D. Aged 33-38, he will have substantial prospects in this very rapidly growing company either in line management, his own function or elsewhere in the group and this is supported by a formal management development and training programme. Attractive benefits include car, BUPA, N.C. pension and share options. Location London.

Giles Foy Ref: FC/333/ST

*Replies containing comprehensive career details will be sent direct, unopened and in confidence to the client unless addressed to the Security Manager.

PROJECT EXECUTIVE

Are you a qualified and creative Engineer? Have you a record of total responsibility for initiating new products and controlling their development to ultimate successful market penetration?

Applications are invited from senior engineers having a proven capability for such work in the field of light or medium mechanical or oil hydraulic engineering.

Salary and conditions will be commensurate with experience and record of ability.

Applications giving details of age, qualifications and experience should reach the Employment Officer not later than 6th September quoting reference number LO8909.

Automotive Products Group,
Tachbrook Road,
Leamington Spa,
Warwickshire.

AUTOMOTIVE PRODUCTS GROUP

CITY OF MANCHESTER

COMPUTER PROGRAMMERS
SYSTEMS ANALYSTS
SYSTEMS DESIGNER (Software)

The City Treasurer is expanding the Development Group of the Computer Section to meet the needs of a large I.C.L. System 4/72, which is to be delivered early in 1972. A Leo III Computer is now being used and will gradually be phased out. Applications are invited to fill the following positions:

Systems Designer (Software) £2,973-£3,390 (Post 1)

The Systems Designer (Software) will be responsible to the Chief Development Officer for the software used by the computer to control its operation, to control terminal activities and to maintain the data base. He will also be responsible for liaison with officers of other departments who wish to use the computer for technical work and mathematical calculations. He will work closely with Systems Designers (Applications) and Programmers to ensure the best use is made of software. He will be an experienced programmer with the ability to work in a low level language and will have a good understanding of operating systems.

Software Programmer £1,653-£2,199 (Post 2)

The successful candidate will be responsible to the Systems Designer (Software) for the adaptation and amendment of software programs supplied by the manufacturer, and will ensure that they meet the needs of the Corporation's installation. The post requires special programming ability and an interest in operating systems.

Development Officers £1,932-£2,457 (Post 3)
Programmers & Systems Analysts £1,653-£2,199 (Post 4)
£1,140-£1,653 (Post 5)

Development Officers are responsible for detailed systems work, form design, compilation of instructions, flowcharting, writing programs, and testing. They comprise both systems analysts and programmers. There are vacancies at senior and junior levels. At the junior level consideration will be given to trainee applicants with suitable experience or qualifications (at least A level).

The work is varied and interesting. Data base and communications systems are being developed. The successful candidates will be on the permanent staff of the City Treasurer's Department. Conditions of employment are good and follow normal local authority practices.

Applications should indicate which post is being applied for, give personal particulars, educational qualifications and professional experience, should be addressed to the City Treasurer, Town Hall, Manchester, and should be received not later than the 11th September, 1971.

Box No. replies should be addressed to THE SUNDAY TIMES, Thomson House, 200 Gray's Inn Road, London, WC1, unless otherwise stated.

Sales Consultant Computer Systems

LONDON/OVERSEAS

Cable and Wireless is an *international Company* specialising in the engineering and operation of radio, cable, satellite earth station, telephone and computerised systems, in some 53 countries.

A Sales Consultant is required to assess and analyse customer requirements, prepare proposals for computer based systems, and negotiate sales. He would be based in central London but would make short visits overseas as necessary.

Applicants must have had at least five years' experience in sales/marketing of Computer based systems. Experience of Applications Analysis and/or real time systems and/or applications in the airline field, would be an advantage. Membership of the British Computer Society preferable but not essential.

Salary according to experience and qualifications. Probably £3,149 a year on engagement, rising by 5 annual increments to £3,792 *on career scale.* Contributory Pension Fund. 5 day, 38 hour week. 4 weeks and 2 days annual leave.

Write for Application Form to:-

The Personnel Officer, (Recruitment),
Dept. A258/522
Cable and Wireless Limited,
Mercury House, Theobalds Road,
London, WC1X 8RX

CABLE AND WIRELESS
WORLDWIDE COMMUNICATIONS

PA Management Consultants Ltd

Personnel Services Division - Hyde Park House - Knightsbridge - London SW1X 7LE

The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting the reference number to the above address, or write for an application form, and advise us if you have recently made any other application.

Marketing Director
£4,000

This is a new position in a progressive young company which has a seven figure turnover and employs 300 in the manufacture of special alloys, steel castings and cutting tools. In addition to controlling the field force and expanding the sales of existing products, the Marketing Director will recommend pricing policies and undertake a comprehensive market review as a springboard to future penetration and diversification in UK and overseas markets. Candidates, aged 30–45 should have held a similar marketing post in an engineering environment, and be able to show that they have helped stimulate growth through profit awareness and business ability. Remuneration will be negotiated around £4,000 plus company car and top hat scheme. The location is Yorkshire. (Ref: SM33/3215/ST)

Engineering Services Manager

This is a senior position in a major subsidiary of one of the largest groups in the United Kingdom. The Engineering Services Manager will initiate and recommend to the Board a multi-million pound capital investment programme in buildings, plant and equipment. He will be responsible for providing assistance in the implementation of this programme and agreeing the reorganisation of existing production facilities as necessary. He will be a man who keeps abreast and ahead of technological developments, who can react speedily to changing economic circumstances and who can lead and inspire a 300 man team. Mechanical engineering qualifications and an understanding of the financial implications of production engineering decisions are essential. Salary is expected to appeal to those already earning in excess of £4,000 and fringe benefits include pension/life assurance scheme and use of a car. Help with re-location costs to N.W. England. (Ref: W33/3214/ST)

Chief Accountant
c. £4,000

A rapidly growing property company enjoying solid financial backing is about to go public. Initial market capitalization will be about £10 million and subsequently large scale expansion is planned through both internal growth and merger. A Chief Accountant and Company Secretary is required whose prime responsibility will be for the presentation of cash flow forecasts, budgets, monthly statements and statutory accounts. Additionally he will advise the Board on the financial aspects of potential acquisitions and investments and in time will be involved in raising finance in the City. Candidates aged 28–35 should be chartered accountants with experience in a commercial undertaking, finance house or professional firm. Starting salary will be negotiated around £4,000 with car but could be substantially more for candidates with a background in property. (Ref: AA34/4299/ST)

Developments Executive
Land Acquisition

A substantial and expanding public company in the holidays and leisure industry is continually acquiring new rural and coastal sites for development. The Director responsible for this undertaking is seeking a Developments Executive to assist in investigating and evaluating potential acquisitions. Candidates, probably aged around 30, should have a background in surveying, estate agency or property development and should be familiar with some of the technical aspects of site evaluation such as services and drainage. This appointment represents an outstanding opportunity for a young man either in the private sector or with a public authority to improve his professional skills through the training available and subsequently to attain a considerable degree of autonomy. Starting salary £3,500 to £4,000 plus car: location Central London. (Ref: AA34/4300/ST)

GENERATION DESIGN AND TECHNICAL SERVICES DIVISION

Design Section, Board Headquarters, Glasgow.

ELECTRICAL ROTATING PLANT ENGINEER

(Ref. No. 13/E.27/71)

The successful candidate will be responsible for the technical specification and design assessment of all rotating electrical machines for use in power stations. Additionally, fault investigations on operating plant will be necessary from time to time.

It is essential that applicants have appropriate design and development experience on large generators and practical experience of testing and commissioning would be an advantage. They should possess a University degree or equivalent qualifications.

The salary for the appointment will be within the present salary range of £2,811/£3,708 per annum dependent upon qualifications and experience, plus a supplementary payment of £60 p.a. (N.J.B. Grades 1/2).

REFUELLING EQUIPMENT ENGINEER

(Ref. No. 13/E.28/71)

The successful applicant will be responsible to the Layout and Fuel Handling Engineer for design aspects of equipment required for refuelling of nuclear reactors. This involves preparing specifications, assessing designs and arrangements for testing and commissioning; the work is mainly mechanical in content but there are important electrical, control and nuclear safety aspects.

Attention is currently focused on Hunterston 'B' Power Station which is at present under construction on the Ayrshire coast and the post carries project responsibility for the relevant parts of the station. Technical aspects will involve completion of design, works and site tests and station commissioning.

Candidates should possess appropriate professional qualifications and have had several years of relevant experience. The salary will be based on qualifications and experience within the range £2,259/£3,045 per annum plus a supplementary payment of £60 per annum (N.J.B. 4 or 5).

TECHNICAL SERVICES (PLANT) GROUP

East Kilbride, Near Glasgow.

CONTROL ENGINEER

(Ref. No. 13/E.29/71)

The successful applicant will join a small team currently investigating the dynamic characteristics of the grid system and generating plant and associated control equipment. Present projects involve dynamic response of generating plant, analogue/digital simulation of boiler/turbine units, control loop commissioning and simulation, investigations into pre-commissioning techniques and control equipment.

Applicants should have two to five years' experience in the control field or a related discipline and experience in one or more of the following would be advantageous:—

Linear/non-linear control analysis
Analogue/digital simulation
Correlation analysis
Computer control techniques
Power system control or on-site commissioning of electronic/pneumatic control systems.

Applicants should be of degree standard in an appropriate subject. Appointment will normally be as Third Assistant Engineer, Grade 6, or 7, within the salary range £1,992/£2,685 per annum plus a supplementary payment of £60 per annum. For an exceptionally well-qualified and experienced candidate, an appointment as Second Assistant Engineer, Grade 5 (£2,259/£2,850 plus £60) would be considered.

Applications, quoting the appropriate reference number, should be submitted on the standard form, obtainable from the **Chief Personnel Officer, South of Scotland Electricity Board, Inverlair Avenue, Glasgow, S4,** not later than 20th September, 1971.

SOUTH OF SCOTLAND ELECTRICITY BOARD

SALES ENGINEER SOUTH AFRICA

JCB Sales Limited has a vacancy for a qualified sales engineer to fill the position of District Representative South Africa.

Initially UK based the post will involve lengthy periods of travel in South Africa and is, therefore, suitable for a single man or a married man used to this type of assignment.

Applicants, preferably in the age bracket 25-35 years with an engineering background and suitable qualifications, should have a proven sales record preferably through a dealer organisation involving construction machinery, materials handling equipment or vehicles.

JCB has a record of success second to none and there is an excellent future for the successful candidate.

Write giving brief details in the first instance and enclosing a recent photograph, to

John Boe, JCB Sales Limited, Rocester, Uttoxeter, Staffordshire, ST14 5JP.

SYSTEMS ANALYSTS £2,300-£3,000

Our client, a leading Life Insurance Company, is looking for two highly competent people to join small teams involved in Statistics, Reassurance, Management Information and Commission Systems. A numerate aptitude, the ability to communicate and undertake project responsibilities are essential.

These people will have a programming background and possibly 2 years' experience as an Analyst and be aged 25-35 years: with an accountancy/actuary bias, having worked on commercial applications in a similar type of company. A past experience of series 360 would be advantageous. The company hopes to update in early '73 to 370/135. Excellent company benefits exist. Location Wembley.

PROJECT MANAGER Up to £3,500

This man will have a similar background to the analysts but with more experience and a proven ability of project management. Please telephone or write:

DATA SEARCH, 53 Victoria Street, London, S.W.1. Tel.: 01-222 2022.

Merchant Banking

Our Clients, who are continually expanding their wide range of merchant banking services, require additional executive staff for responsible positions both in London and the Provinces. The need is for men of unquestioned ability with a first rate professional training who wish to make a career with a progressive Merchant Bank. The vacancies are:

New Issues and Mergers Department

A Corporate Finance Executive to join a young and able team. He should have an accounting or legal qualification and must have experience of public flotations particularly in relation to S.E. requirements and the Take Over Panel. Age 26/30ish. Reference number 1273.

Loans and New Business Department

A Senior Executive preferably with previous experience of lending in the industrial, commercial and property development fields. This post would be suited to a Chartered Accountant or other person with similar qualifications and experience who has business aptitude and negotiating ability, as loan terms are adjusted to circumstances in each case and often involve company investigation and evaluation procedures. Age 25/30. Reference number 1274.

A Junior Executive for the same Department. The requirements are similar, but previous experience is not essential: a recently qualified C.A. would be acceptable, if he had the right personal qualities. Age up to 25. Reference number 1275.

Regional Offices

As well as operating in the City of London, our Clients have various Regional Offices. There are currently openings for a young Chartered Accountant (Manchester) or Banker (Luton). Age up to 28. Reference number 1276.

All these appointments, arising out of increased business and new developments carry attractive salaries, subject to individual negotiation, with good fringe benefits and conditions of employment. The work is continually interesting, demanding positive qualities and the exercise of intelligent judgement in addition to analytical and administrative abilities. The organisation is flexible and promotion is primarily on performance and merit.

Please apply in the strictest confidence quoting the relevant reference number to Clive & Stokes, 14, Bolton Street, London, W1Y 8JL.

Clive&Stokes
Appointments & Personnel Consultants

Chief Nuclear Health & Safety Officer

Applications are invited for the appointment of Chief Nuclear Health and Safety Officer, responsible to the Executive of the Central Electricity Generating Board.

The successful applicant will head a Department *providing independent advice on radiological safety in* relation to employees of the CEGB and the plant which *it operates or proposes to build. The Department* has a Medical Branch and a Safeguards Branch comprising Sections dealing with Health Physics, Reactor Physics and Engineering and Inspection. The Department's advice to the Executive and Managers covers the nuclear safety aspects of the siting, design, commissioning and operation of nuclear power stations and the inspection and approval of standards of radiological protection for personnel. The duties include negotiations with the Nuclear Installations Inspectorate and other Government Departments on statutory obligations concerning radiological safety at nuclear installations.

Applicants should preferably be graduates in physics, engineering, or mathematics, but graduates in other subjects would not be excluded from consideration. Experience in large-scale organisations is essential, preferably including co-ordination of work in technically complex undertakings and in the nuclear field. A great deal of liaison with other Departments *within the* Board is necessary and the successful candidate will be *expected to make such relationships effective in the* interests of safety but without friction.

The salary for this appointment will be in excess of £7,000 p.a. depending upon qualifications and experience.

Applications stating full relevant details and present salary to H. C. Spear, Director of Personnel Management, Central Electricity Generating Board, Sudbury House, 15 Newgate Street, London EC1A 7AU, by 14th September 1971. Quote Ref. ST/234.

CENTRAL ELECTRICITY GENERATING BOARD

250,000 wait as one man fights to choose his union

BY JOHN FRYER

Stanley, Devon

Jack Hill: gave notice of appeal

A HIGH COURT judge ruled last week that Jack Hill, a 63-year-old engineer, can be sacked for refusing to join a rival union. The judgment may make legal history by being the last of its kind under the existing law. But, whatever the outcome, its real importance is in showing the battle lines that are being drawn up before the new Industrial Relations Act comes completely into force by the end of the year.

Hill, who is a member of the United Kingdom Association of Professional Engineers (UKAPE), was seeking an injunction against his employers C A Parsons, the Newcastle electrical engineering firm, preventing the enforcement of a dismissal notice telling him he has to leave the company at the end of this month. This is because he has not joined the Draughtsmen's and Allied Technicians' Association (DATA) which has a closed shop at Parsons. The case was argued before Mr Justice Brightman who said that under existing law he has no power to stop the company ending Hill's employment. He added: "If I had the power to grant the order, I would have done so." Hill gave notice of appeal and will continue in his job until it is heard.

The action is the culmination of a three-year struggle between DATA, UKAPE and the Association of Scientific, Technical and Managerial Staffs (ASTMS) at the Parsons' plants. DATA has almost 1,000 members there, but at the centre of the row are 200 professional engineers who, until recently, were not members of any union. Now 38 of them, including Hill, have been given notice for refusing to join DATA, which was awarded a closed shop by Parsons in May last year.

Up to now, UKAPE has been playing very much second fiddle to DATA and ASTMS (which, incidentally, has now pulled out of Parsons) but under the Industrial Relations Act things could be very different. As Ken Gill, DATA's deputy general secretary, says: "UKAPE at present is no problem to us, but if the Government and the employers want to be courageous and implement the letter of the law, they could be."

The reason for DATA's attitude to UKAPE is a basic philosophical disagreement over what a trade union should be. DATA is well known for its militancy and is affiliated to the TUC. UKAPE sees itself as a professional body honouring the codes of conduct the various engineering institutions lay down, and will use industrial action only as a last resort. It is not linked to the TUC. The differences are inherently political and social. As Ken Gill puts it: "UKAPE appeals to all the worst aspects of the middle class."

At the heart of all this there is confusion among the engineers themselves about what they should be. They all have the equivalent of a degree, and have seen the differentials close between them and the lesser qualified people (such as the draughtsmen and technicians who make up most of DATA's 100,000 membership). At Parsons the engineers earn between £2,000 and £3,000 and the top-paid DATA members up to £2,000. So the professional men want collective action to restore their position, but do not agree on the best way to go about it.

So far UKAPE, which has only about 9,000 members in the UK, has been unable to make much headway against DATA. But along with similar bodies, like the scientists, it sees its chance through the Industrial Relations Act. For instance, DATA says it will not register as a union under the Act, and UKAPE says it will: this could mean that UKAPE can take to court its claim for recognition at places like Parsons.

UKAPE could claim recognition under the new agency shop law by saying it wants to be the sole negotiator for all professional engineers. The Commission on Industrial Relations may agree, then there would be a direct clash with DATA.

The Government is introducing the Act in stages: in October the registration of unions and employers' associations will start; a reconstituted Commission on Industrial Relations will follow in November, and then the National Industrial Relations Court will be set up in December. The Department of Employment and Productivity says the Act is being introduced this way because some linked provisions must follow in sequence; all the provisions should be in force by the spring. The judge hearing Jack Hill's application, however, would not admit discussion on the new Act because it is not yet law.

But in a few months it will be, and Britain's 250,000 professional engineers, like it or not, will find themselves in the centre of what promises to be a bitter battle. "The trouble with engineers," says Dr Hugh Newell, one of UKAPE's Newcastle officials, "is that they have woken up late in the day after having their heads buried like ostriches in the sand." Now the heads are right out in the open and come January will be sitting ducks to be sniped at.

The petrol trade is due for a massive shake-out when the £1,000m Shell-Mex BP trading group splits up. KEITH RICHARDSON reports

When the Getaway People got up and left

WHEN 49-year-old John Greenborough takes over as chief executive of Shell-Mex and BP on Wednesday, he may be the last man ever to hold the job. His prime task, and phenomenally difficult it is going to be, is to keep his company expanding and profitable while at the same time putting it into a state where its business can be split up and handed over complete to its two parent companies British Petroleum and Shell.

Whether it ever will be handed over is officially an open question. In fact it seems only a matter of time. By 1973 every existing Shell-Mex and BP customer, buying between them over 40 million tons of oil and petrol a year, will have been allocated to one of two new marketing companies. Two out of every five customers go to BP and the other three to Shell.

What this amounts to is no less than the biggest and most complex break-up operation ever launched in British industry. For 40 years BP and Shell have found it convenient to push what is now nearly £1,000 million a year of sales in the UK through Shell-Mex and BP which is simply a jointly owned selling company. Reflecting the relative strengths of the two groups 40 years ago, Shell provides 60 per cent of the oil and finance and takes 60 per cent of the profits, while the other 40 per cent is BP's share.

But last year the parent companies finally decided this could go on no longer, and a firm decision was taken that at the very least they would split the sales into two clearly defined brands, and would examine the economics of a complete split.

Since the official announcement of this on April 19 study groups within the Shell-Mex and BP organisation have been examining each major market sector—industrial fuels, central heating, transport fleets—on a region by region basis. Before the end of the year they are charged with producing plans which show how each sector and region can be divided so as to give 40 per cent of the business to BP and 60 per cent to Shell.

The split has to be right in terms of gallons sold, profit margins, and the potential for future growth, so that neither side is left with too much dead wood. But by early next year the first plans should have been approved and the first customers passed over (after consultation) to one of the two companies which were registered earlier this month, Shell Marketing and BP Marketing.

By the end of 1972 the transfers should be virtually complete. At that date the marketing companies will still be subsidiaries of Shell-Mex and BP, and all the complex of storage depots and coastal tankers and trucks and trains, which distribute the oil from ten separate BP and Shell refineries, will still be run as an integrated system. There will still be a common administration and a common computer.

But unless something goes terribly wrong the separate marketing teams will by then be pressing hard for total independence, and it is not easy to see any grounds for refusing it. For the whole exercise is based on the belief that independent and competitive marketing will sell more oil more profitably than the present cartel can do.

Already petrol has moved half way towards freedom with notable success. Since 1965 separate marketing teams have sold Shell, BP, and also National Benzole which will fall into BP's empire. Between them they stopped the decline in their joint market share by 1968 and have since restored it from 38.5% to 40%, a better performance than their chief rivals, Esso.

But although advertising methods for the three brands differ widely (Shell goes for mileage per gallon, BP publicises its blender pumps even though all three brands now have them, and National woos its Getaway young motorists) the campaigns are still controlled by Shell-Mex and BP. So are pricing policies and investment plans, and whether it is Shell or BP that wins the extra sales the money is still shared out in the two-to-three ratio between them.

Joint marketing may have made sense in the sellers' market of the 1950's, when Shell-Mex and BP sold half of Britain's oil, or in the cartel-minded pre-war years, but hardly fits the difficult and competitive business conditions of today when so much trade has been won by the price-cutters and the American newcomers.

Nor does it satisfy the ambitions of the very self-confident salesmen that BP has trained in its fast-growing German and Italian markets. But now Greenborough's job is to see how far the costs of splitting up can be minimised.

Transport and distribution costs are the crunch, for Shell-Mex and BP has built up probably the best and most economical system in Britain which more than outweighs the fact that its refining costs appear to be higher than Esso's. Can it be split without raising costs? The answer is that it probably can but Greenborough has to prove it. Some facilities such as pipelines will always be jointly owned, and arrangements to suppy Shell's Scottish customers from BP's Grangemouth refinery and vice versa in other parts of the country will be needed.

Meanwhile the most delicate part of the job is keeping both customers and staff happy. The customers have all been promised consultation, and if large numbers flatly refuse to take whichever brand they are allocated in the plan there is clearly no way of compelling them.

But nobody yet knows whether, say, the 500,000 home heating customers will be choosy. If Mrs Brown always insists on BP fuel oil because her husband swears by BP petrol while Mrs Smith next door demands Shell the marketing men will be thrilled and the accountants appalled. And then there are the wholesale distributors, who move 10% of the companies sales and may not like being given part shares in larger selling areas, to be considered.

The staff have been appeased by a firm promise that no redundancies will result from the changes. But recruitment will continue to be held back: during the efficiency drive that has marked Tom Grieve's period as chief executive the numbers employed have fallen from over 16,000 to under 15,000 despite five years of rising sales. There is also a change in career prospects: from now on once a man puts on either a Shell or a BP hat it will probably be his for life. But at least he will be working for a real oil company.

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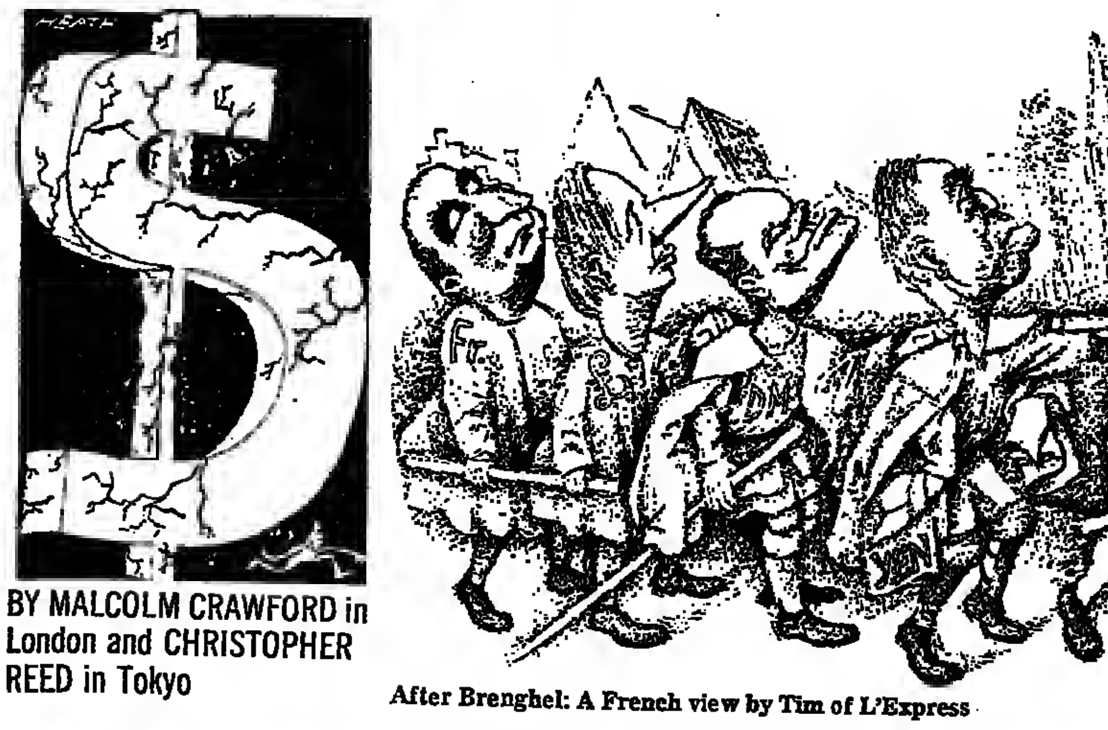

BY MALCOLM CRAWFORD in London and CHRISTOPHER REED in Tokyo

After Brenghel: A French view by Tim of L'Express

The Japanese buy time

THE FLOATING of the yen last Friday was the most historic avent of the present international monetary crisis—far more important than President Nixon's embargo on gold dealings hy the US Treasury 11 days hefore. For the US Treasury had already stopped selling gold except for special types of transactions, whereas the rise of the yen—which London dealers marked up on Friday afternoon by about 8% or 15%, depending on whether you were buying or selling—completely changes the world financial outlook.

It will do so primarily by wiping out the second most serious monetary imhalance in the world today: Japan's multi-billion dollar payments surplus. The Japanese surplus is mirrored to a considerable extent hy the American deficit (which is of course the biggest imbalance). And while other currencies hesides the yen need to he revalued (or floated up), the yen was the most undervalued, so everyone was looking to Japan to make the first move. By the flotation, the Japanese have hought time. The next move in this multi-sided game of Devalue the Dollar belongs to the Common Market, whose finance ministers meet on Septemher 13.

A float was clearly hetter for Japan than a fixed rate revaluation for at least two reasons. It was Impossihle for the Japanese to pick a new parity without allowing for the new US Import surcharge; any revaluation would have to be less, if the surcharge is to stay on a long time, than it would be if the surcharge was going to he removed very soon. Also, floating gives the Japanese some flexibility for bargaining in the Group of Ten (or directly with the US, which they will still hava to do, over tha surcharge or non-tariff barriers).

Moreover, a country like Japan, with a rapid hut unpredictahle growth of productivity, needs more flexihility than others in picking its exchange rate. A period of float for at least a year or two, if not permanently, is wholly desirable for Japan. For the Japanese people, it will, of course, hring a hard-earned bonus in terms of cheaper imports and a higher standard of living—provided their Government expands home demand so as to offset the reduction in exports which the high-valued yen will bring about. (The effects on Japan will be the exact opposite of these of sterling's devaluation on Britain).

To this extent, Japan's float looks like a victory for good sense. It was also a victory for the United States. This is good insofar as it is an essential part of the much-needed devaluation of the dollar, but it was too cheaply won. A week ago, US Treasury officials were telling journalists not to worry about the damage inherent in the import surcharge—the surcharge would come off as soon as the Japanese revalued hy at least 10%. But hy Tuesday, they had reappraised the situation. State Department Undersecretary Nat Samuels told a hastily-convened council meeting of the GATT on Tuesday that removal of the surcharge must await a proven improvement in the US external payments position. Privately, he indicated to EEC officials that this would mean about two years.

The protectionists in the US (they must have been dancing in the streets last week) see the recent chain of events as justifying tough action of the kind they support. So we may never see the end of demands for "voluntary" restraints on exports to tha US, of "Buy American" features in US expenditure and fiscal policies, or even of the import surcharge. The US has had to concede absolutely nothing, so far, to gain its ends.

In a rational world, one might have expected not a Group of Ten conference (one has haen called for September 15 in London), but a meeting first of the Ten minus the United States, to discuss what they could offer the US, and what concessions the US should make in return. But that is not bow the world has arranged its affairs, at least until last week.

The Common Market will make no further move until their meeting on the 13th. The floating of the yen, which will apparently take that currency up about 7% to 8% in the initial stages (the Bank of Japan will hold it there, I reckon, pending further developments) will maka it easier for the Germans to decide on a new parity for the mark. Hitherto they have heen unsure whether there is a very strong case for raising the mark'a parity at all—despite the fact that the "temporarily" floating mark was about 9% above par last week.

France, as usual, *is* the snag. Ideally, one would hope that Britain and the Six would agree on a programme of revaluations (a joint float, as proposed by Germany, is only a remote possibility) conditional upon the Nixon Administration giving firm undertakings to aholish their several hreaches of fair international trading practices. The Americans have been making a lot of noise lately about other countries' unfair practices, but this scarcely conceals the fact that they are, at present, tha worst offendera by a wide margin. Their new tax subsidies for export sales subsidiaries (for example) were introduced the same week as the Japanese were winding up their own Identical device, which the Nixon team copied.

Subject to American undertakings to give up the surcharge and other improper actions, Britain and France could well afford to go up 4% to 5%, and Germany to fix a new parity at her present market rate. The yen would then float further npwards, perhaps to the 15% which an IMF staff paper (leaked last week, to managing director Pierre-Paul Schweitzer'a immense anger) said would he the correct revaluation for Japan's currency.

Floating does not (if I may dispel a commonly-held illusion) necessarily mean that free market forces fix the rate. The yen could he pegged for months by the Bank of Japan, provided there was not (aa lately) a universally held opinion that it was immediately about to go higher.

The "floating" Canadian dollar is a good example. An influx of money across the horder to Canada in May last year forced Canada to ahandon its 92.5 cents (US) parity and float, which the Canadian dollar did, up to about 97 cents, very quickly. It stayed between 97 and 99 most of the time, with the Bank of Canada's smoothing help, until last week when it went (briefly) above par with the US dollar. During that period of just over a year (to end July) the Bank of Canada'a gold and foreign exchange holdings rose $400 million, and must have risen much more this month. If left to float freely, Canada'a dollar would go well above par.

A world of floating rates will, inevitably, be a world of managed rates. In auch a world, however, payments disequilibria will move the rate much sooner than they can with fixed parities.

The IMF is, of course, the guardian of fixed parities. That is its joh, under the Bretton Wooda rules. This is why Schweitzer has condemned the floaters, in his calls for new parities, and attacked the US for trying to change its exchange rate without changing the price of gold (parities under IMF rules are nominally pegged to gold).

Yet nothing can have been made plainer by the events of the past fortnight, than the irrelevance of gold in fixing exchange rates. Schweitzer has made himself look rather foolish by stressing gold and could have done real harm. Had the Japanese not transformed the situation by floating the yen his strummings might have warmed French affections for gold in the monetary system to the point of blocking further progresa on exchange rates in Europe.

Schweitzer would do well to devote his time and thoughts, from now on, to basic reforms of the system. This will he the next great field of international monetary debate.

Sweet 19 and an instant expert

MEET Aleta Starcks, expert on President Nixon's recently announced wage-price freeze.

Miss Starcks is not just any old expert. She's an instant expert. The day after the freeze, the 19-year-old Miss Starcks was a secretary-stenographer in the US Civil Service Commission. A day later she was drafted by the Chicago branch of the Office of Emergency Preparedness, the federal agency that is supposed to administer and police the freeze.

"I didn't even know what the Office of Emergency Preparedness was until after I showed up Wednesday," Miss Starcks says. No matter. She was quickly answering telephones, advising corporate executives, lawyers and private citizens who had questiona and complaints about the freeze. Though ahe had no hriefing, Miss Starcks was able to answer almost half the questions. The next day she did a lot better because ahe had spent the evening studying newspaper clippings about the freeze. "Also," she says, "I was sitting next to somebody who knew about rents, and by listening to him I got rents down pretty good."

Miss Starcks was one of many conscientious employees whom Wall Street Journal reporters encountered as they spent the day at three of the 10 regional offices hastily opened by the OEP. As might he expected, the reporters found confusion of heroic proportions.

Nobody had ever told the 220-strong OEP it might he policing wage-price freezes, so its unpreparedness isn't surprising. Its normal work involves planning for war mobilisation, management of commodity stockpiles and disaster relief; and development of oil import policies.

In Chicago, switchboard problems forced the office to abandon the idea of funnelling incoming calls to specialists. So a reporter found a Labour Department staffer fielding qnestions about the 10% surcharge on imports—while across the table an employee from the Customs Service was trying to handle a sticky question on whether bonuses could be awarded during the freeze.

Monitoring calls in Philadelphia showed that the most common questions dealt with wages, usually whether an individual who gets a promotion can get a raise (yes, provided the promotion la a real one). Many callers had questions about rents. Questions about other prices were a poor third.

Sometimes, the answers OEP staffers give are just wrong. Partly that is hecause Washington's own interpretations of the freeze have been confusing. In Chicago, Joe Dixon, a 38-year-old Lahour Department wage-and-hour compliance officer, slapped hia forehead in exasperation when a mimeographed guideline dealing with teachers' salaries was dropped on his desk. It said that all teachers whose contracts were ratified befoce August 15, the day the President announced the freeze, could get raises even thougb they had done no teaching yet under the new contract.

"I must have given a dozen teachers the wrong information," Mr. Dixon moaned. "The only thing I had to go on before was a newspaper clipping that said a teacher must actually be working under the higher wage scale hefore August 14 to obtain the contract raise."

In the New York area, perhaps more than 75% of the 4,000 calls the OEP office got each hour dealt with rent.

"I hate to tell you one way or the other," one ataffer told a caller with a question. "I've been drafted into this, and I'm just trying to help people out." Another referred questioners to the New York Times. "Turn to today's Times, to page 21, the lower left-hand side," he repeatedly told callers.

In Chicago, visiting reporters were nrged to volunteer to answer phones. "We can use all the help we can get, and you guys can get first-hand experience for your stories," a puhlic relations man cajoled.

The OEP'a burdens, however, soon may ease. The Internal Revenue Service has already announced plans to open offices in more than 200 cities to help process complaints for the OEP. IRS employees who normally deal with the public as part of the service's taxpayer-assistance programme will man the offices.

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Cushion for Tokyo's exporters

THE JAPANESE float will he a strictly managed one. The Government described its actlon on Friday as floating the yen. This was formally true, hut in fact the Bank of Japan is expected to keep the exchange rate under tight control. It will intervene to hold the rate at about 8% ahove its present parity against the dollar—equivalent to an 8% revaluation.

The Bank has said that it will intervene "to prevent the yen getting out of hand." Behind its move on Friday, which surprised many experts hare, lay the belief that floating was better for Japan than revaluing the yen to a new fixed rate. To slow down the influx of dollars a new fixed rate would have had to be set much higher than the 8% which is expected to emerge next week.

The reason is that, with a fixed rate, speculators would be sure the rate would not go down, but could go up, whereas the central bank can manipulate a floating rate any way it likes at any time. The effective revaluation in the new floating rate will ha kept around the 8% mark at least until after the IMF meeting at the end of Septemher. During this period, the Japanese authorities will try to reach agreement with the Americans on a whole range of trading and financial issues. Although it is helieved that ultimately the yen will go up hy somewhere in the ranga of 10% to 15%, tha Government wants to keep some bargaining leverage in hand.

The impact of Friday'a move on Japanese exports is expected to he a cut of $3 hillion in the coming year, from the $24 billion record figures forecast by the Ministry of Trade and Industry. (Japan has just passed Britain into third place in the world trading league—Britain'a exports are currently running at $21 hillion a year).

Word of the impending rise in value of the yen leaked out on Thursday to various insiders in Tokyo. By then, banks and foreign trading companies had already heen allowed to get rid of short-term dollar assets—thus accounting for a large part of the immense intake of dollars by the Bank of Japan, estimated at hetween $4.5 hillion and $5.6 billion in the past fortnigbt.

Heads of big industrial firms, with hundreds of millions worth of orders booked in terms of dollars (on whicb they stood to lose if the yen went up) wera furious when they heard of the decision to float. The President of Ishikawajima Harima Shipbuilding, Renzo Taguchi, demanded: "Why did the Government let banks and trading bousea profit from decision to float, at the expense of shipbuilding aod other industries? I had believed the Prime Minister'a repeated assurances about the yen—especially as he is chairman of the Export Promotion Council."

From the day the Nixon measures were announced, Japanese trading companies began selling dollar-denominated export hills to the commercial hanks in order to get out of dollars and into yen. The banks borrowed dollars abroad using these hills as collateral, and sold the dollars to the Bank of Japan.

Athough Japan has exchange controls which are tight hy the standards of almost every other country, this practice appeared to pass, because trading houses' dealinga in export hills are considered as commercial rather than speculative.

Exchange control inspectors went through the banks' books carefully. In fact, bankers said, surprisingly few of tha dollar transactions in Tokyo during the fortnight had been found to be illegitimate.

For two days last week (August 24 and 25) the authorities applied the rules rigidly, ordering export bill dealings to be treated as apeculative. The banks and trading companies immediately protested that they were heing prevented from doing legitimate business.

So the Government interpreted the controls more liberally thereafter. It realised then that the dollars would continue to flood in. When leading industrialists got the message that the exchange rate was going to move, dollara were frantically horrowed on Friday. These dollars were sold immediately in a rush to cover exposed dollar-denominated order positions. The Bank of Japan took in $1.25 hillion on Friday, the last day of its policy of supporting the yen's fixed parity. Although such deals ahould have required permission, the authorities evidently turned a blind eye in order to help industrialiats to get as many yen as possible before the value was altered.

The float policy will give the Japanese authorities time to reorganise their exchange controls—as well as to set up any international deala they hope to do. US State Department Assistant Secretary for International Economic Affairs, Philip Tresize, is expected in Japan on Sunday to begin talks. In more ways than one, the float buys time for the Japanese.

New homes are going up everywhere.
To find the best ones turn to page 27.

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ECONOMIC FORECAST

Still not enough growth

By Professor Jim Ball and Terry Burns of the London Business School

	1970 Year	1971 1st Half	1971 2nd Half	1971 Year	1972 1st Half	1972 2nd Half	1972 Year	% Change 1971/70	% Change 1972/71	% Change 1972 1st half/1971 1st half
GROSS DOMESTIC PRODUCT*	32,306	16,032	16,353	32,385	16,650	16,797	33,447	0.2	3.3	3.9
CONSUMER SPENDING	23,342	11,755	12,162	23,917	12,468	12,546	25,014	2.5	4.6	6.1
NON-DURABLE	21,491	10,837	11,070	21,907	11,307	11,372	22,679	1.9	3.5	4.3
DURABLE	1,851	918	1,092	2,010	1,161	1,174	2,335	8.6	16.2	26.5
DWELLINGS	520	291	327	618	344	366	710	18.9	15.0	18.2
OTHER PRIVATE INVESTMENT	3,353	1,599	1,600	3,199	1,616	1,676	3,292	—4.6	2.9	1.1
EXPORTS	8,384	4,281	4,341	8,622	4,437	4,549	8,986	2.8	4.2	3.6
IMPORTS	8,269	4,364	4,486	8,850	4,622	4,737	9,359	7.0	5.8	5.9

* Average of output and expenditure figures. All figures £m. seasonally adjusted, in real terms (1963 price levels).

THE CHANCELLOR'S July mini-Budget will not do enough to achieve the levels of output and employment he meant to attain by the reflationary measures he announced in his April Budget. After the July Budget (but before the latest international monetary upheavals) our forecast implied a rate of growth of total output of 3.9% between the first half of 1971 and the first half of 1972: 1972 as a whole should produce an output level 3.3% higher than in 1971.

Our forecasts are not much disturbed—in the short run—by the well-publicised currency crisis. Even if some European currencies are revalued it would be optimistic to hope for much of a boost from the effective devaluation of sterling that these changes might bring. Even the best result would be small compared with the *unemployed capacity at which* the British economy is operating—and will be, even after the Chancellor's two Budgets this year.

Although these increases in output are somewhat higher (thanks to the July measures) than those he announced in his April Budget, they must now be based on lower estimates for the first half of 1971—a period for which both the Treasury's estimates and our own were at least 1% too high, in April.

The most unfavourable set of assumptions about the outcome of the crisis suggests a rise between the first halves of the two years of 3.7%, and the most favourable a rise of 4.1%. The lower figure is expected if the American surcharge remains and there are no changes in Continental exchange rates. The most favourable outcome assumes that *the EEC members and Japan float up on average by about 5%, and the surcharge is removed at a later stage in the forecast period. The outcome could go either way within these limits. The forecast presented below assumes that the most likely effect is broadly neutral, the American surcharge remaining for some time, but being offset by the tendency of rates in the rest of the world to rise, with the pound, in the longer run, staying close to the dollar.*

Jobs: still a bleak outlook

Unemployment will rise further, until about the turn of the year. The rate of growth of unemployment, seasonally adjusted, should slow down (if that offers any cheer) although the outlook for next winter is still unpromising.

The balance of payments should show a current account surplus of £650 million in 1971, but *decline to around £500 million* in 1972.

The rate of wage increase is forecast to slow down in 1971, and to stabilise at an annual rate of increase of just over 9% in 1972—a similar pattern of events to that forecast in these columns in April. The faster rate of growth of total output, the slowing up of the rate of wage increase, and the voluntary prices policy adopted by the CBI should help in materially reducing the rate of consumer price inflation from a rise of over 7% in 1971 to about 4.5% in 1972. We estimate the rise in the *consumer* price index in the first half of 1971 at 7.7% (this is not the same as the retail price index, which has been *rising* at about 10%). This rate of increase should slip back to about 6.5% in the second half of this year.

The Chancellor's July Budget has been hailed as representing a fundamental change in economic strategy, and reviled on the grounds that too much was given away. We do not agree with either of these interpretations.

The extra measures introduced by the Chancellor in July represent a course correction to the economic ship after it was realised that the initial positon assumed in April when setting the course for the year, was incorrect. Output in the first quarter of the year was well below the level assumed by the Chancellor at the time of his Budget judgment, and he is to be congratulated on a speedy attempt to rectify a situation that rested on incorrect information, rather than allowing matters to *drift* interminably on into the *Autumn*, or worse *still until* the next Budget.

As he reported in July, he still expected output to grow by 3% between the first half of 1971 and the first half of 1972, but since the base level of output in the first half of 1971 was now estimated to be lower, the level of output to be achieved in the first half of 1972 would now be that much lower than hoped for in his intended to ensure that the April Budget targets are met. Budget judgment. In terms of the Chancellor's growth forecast (between the *first half* of 1971 and the first half of 1972), *now* put at 4-4½%, his measures may be seen as intended to ensure that the April Budget targets are met. Thus it is difficult to see why his critics, who are afraid that he has overstimulated the economy, were not equally highly critical in April. It is true that the rate of aproach to the desired levels of output and employment will be faster, and no doubt this is part of the critics' case. But we see no reason to believe that there would be any *dramatic* overshoot in 1972 even if the Chancellor's current forecasts are correct. Equally, those who have welcomed a fundamental change in policy are open to disappointment.

Errors that could warp the future

Our main worry is that, once again, economic performance will fall short of what is desirable. There has been a systematic tendency in recent years for the official forecasts to overestimate demand. This applies not so much to forecasts of the future rate of growth, as to estimates of the current level (which, however, affects forecast levels). The Budget judgment has on more than one occasion been warped by these errors—especially *errors* in estimating what has happened *in* the *first* quarter of the same year.

Since April, we have had to revise downward our forecasts for consumers' expenditure and gross fixed capital formation, and revise imports upward. Judging by the Chancellor's speech in July, we were anticipating a slower underlying rate of growth than the Treasury prior to the July measures, and this largely accounts for our concern that, even *after* the *measures*, the Chancellor may fail to achieve the targets he has set himself.

We do not disagree with the Chancellor about the force of the measures. We now estimate that as a result of them output will be about 1.3% higher in the first half of 1972 than it would have been otherwise, and output for the year as a whole about 1% higher. If these estimates are added to the growth predicted by the Chancellor in April, we arrive at his estimate of a 4-4½% rise in output between the first half of 1971 and the first half of 1972.

The key feature of the present forecast is the massive rise projected *in consumers* expenditure. We now expect *consumers expenditure to rise,* between the first half of 1971 and the first half of 1972, by just over 6% in real terms. The main boost to consumption is to be expected in the field of consumer durable goods. We expect consumer durable goods spending (in real terms) to be about 26% higher in the first half of 1972 over the first half of 1971 and about 16% higher for 1972 over 1971.

Such increases are by no means unprecedented—annual rates of increase of 20% have been achieved before.

The forecast rise is, of course, largely the result of the removal of the restrictions on hire purchase terms and reductions in purchase tax. The result is consumption-led growth with a vengeance.

Any doubts about the viability of the consumption *forecast must stem from supply* considerations and from the forecasts of wages, prices and incomes. Consumer durable goods industries, particularly the motor industry, have suffered from considerable labour and production difficulties which might have some effect on the capacity of industry to deliver.

There is now some modest evidence for the ministerial view that the rate of wage increase is slowing down and some de-escalation is taking place. Thanks to the July measures and the CBI initiative, the climate for wage settlements should have eased, giving more substance to the hopes for de-escalation that we expressed in April. Thus we expect—as in April—that the rate of change of wage rates (not earnings) will fall to about 9.3% in 1972. As a long run figure this clearly remains *unacceptable*, but appears to be somewhere near the norm that the Government has set itself.

As for prices, the reduction we forecast *in* the rate of price increase (to 4.5% next year) is due partly to our assumptions about the de-escalation of wage claims and partly to the check to the rise in unit labour costs. Other things being equal, this results from the increased rate of output growth and productivity. On the cyclical upswing, productivity rises relatively rapidly as existing resources are better utilised. Pressure on *unit labour costs* and hence on prices is reduced. Moreover, it *may be expected* that the extra push on prices to restore eroded profit margins may ease to some extent during 1972, particularly as output expands.

Balance of payments will stay promising

Despite the proposed increases in public investment and the new incentives for private investment introduced in July, we do not anticipate any major recovery in the overall rate of industrial investment in 1972. Manufacturing investment is still expected to decline by about 3% in 1971 with a rather larger fall (about 5% in distribution and services). Only a modest increase is foreseen in private fixed capital formation, other than in dwellings, over the course of next year.

This is not particularly surprising. On the basis of past experience investment follows a general rise in the level of demand, so any major recovery would, on past performan[ce] be looked for in 1973.

The *outlook* for the balan[ce] of payments remains promis[ing] *for 1971, even though* the fas[ter] rate of output growth forec[ast] *will eat into the* curr[ent] account surplus in 1972.

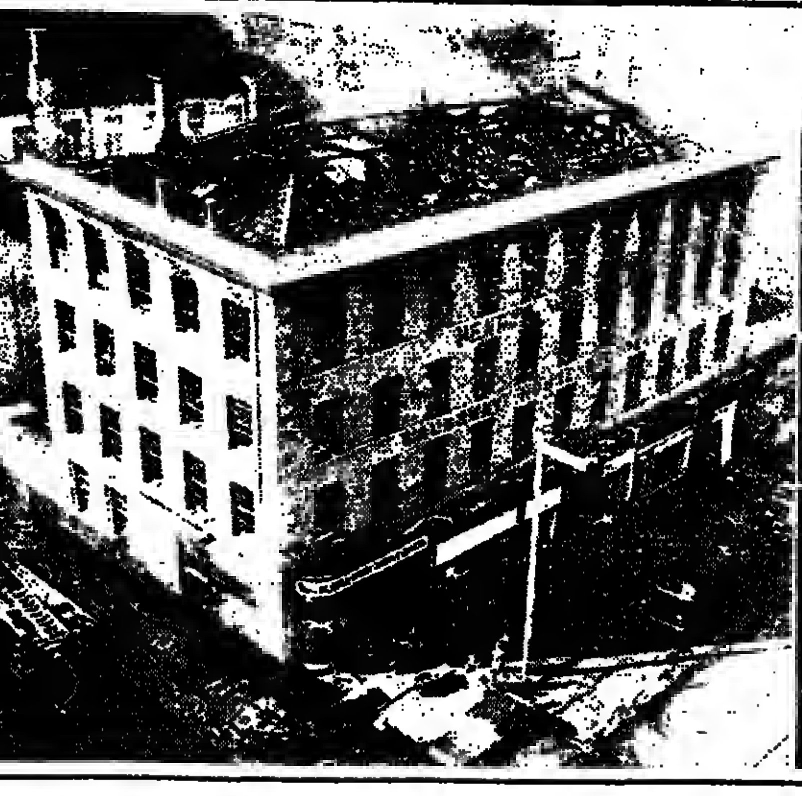
Export volume remai[ned] stagnant for a considera[ble] period while the volume [of] imports rose. The curr[ent] account balance was preser[ved] as it has been before by a c[on]*tinued rise in our export pric*[es]. However, there has been [a] sharp increase in export v[ol]ume in the second quarter [of] this year, and we have revis[ed] upward our export forecast [for] 1972.

The July measures do [not] reflect any fundament[al] change in Government pol[icy] with regard to econom[ic] growth. Nonetheless, we ho[pe] that the present prompt atte[n]tion to the rising level of [un]employment reflects the beg[in]*ning* of a return to econom[ic] policies in which growth w[ill] be seen as the central objecti[ve] of policy—which we have be[en] advocating in these colum[ns] over the last 18 months. A fundamental shift in policy [in] the medium term calls for [a] clear recognition that the ra[te] of inflation and the balance [of] payments are means to an e[nd] that cannot be dealt with [in] the longer term by holdi[ng] back the rate of growth itse[lf].

On inflation, our position h[as] always been clear. The gener[al] levels of prices and wages a[re] not the simple outcome [of] market forces, but are adm[in]istered prices whose dete[r]mination is the proper subje[ct] of Government interventio[n]. At present, it appears that th[is] intervention may take pla[ce] through the back rather th[an] the front door, but it is nev[er]theless welcome for that.

Yet the contribution towar[ds] control of inflation which th[is] will make, is unlikely to [be] adequate to sustain the balan[ce] of payments after entry to t[he] *Comon Market* in 1973. Wi[th] luck the present moneta[ry] crisis will enable politicians [to] clear their minds of th[e] instinctive belief that chang[es] in the exchange rate a[re] national disasters. Then t[he] foundation may be laid for t[he] Chancellor, in his next Budg[et] to appear totally committed [to] a growth policy on which [to] bring the nation into the Co[m]mon Market.

APPOINTMENTS continued on page 40



NORTHERN IRELAND: THE TRUE PRICE OF FEAR

:T WEDNESDAY's explos- at the offices of the North- Irish Electricity Board in 'ast did more than kill one ı and injure 35 others. Even ıgh explosions are nothing in Belfast (there have, at last count, heen 392 so far year), it is no exaggeration ay that this latest incident had an effect on the people the traders of Belfast out all proportion to the ıediate damage.

he hlow has heen psycho- :al. As long as the explos- occurred at night and e not seen to he directed innocent hystanders then ordinary people of Belfast d maintain the pretence everything, outside the gnised trouhle spots, was nal; that husiness, as many he posters on the shops 'ely proclaim, was going ıs usual. This pretence was forced hy the claim that rnment was, partly, de- ed to ensure that husiness ained normal.

ıt sioce last Wednesday, e has, as nearly everyhody lked to admitted, heen a natic change in atmos- re. "Everybody is now ex- ıely nervous and on edge", the general manager of inson and Cleaver, whose dows were hlown in hy a ıh oo Tuesday evening. The p is now searched oo the r, every hour, throughout day, for homhs.

nd even while we were ing, a message came ugh on his pocket hleeper ell him that the latest :h had proved oegative. ıce the Electricity Board ɔsioo," he said, "every- is afraid that the oext :t will he a supermarket cinema."

ıw much reality there is ıd this fear is arguahle. the ahsence of any evidence to the contrary, is every reason to sup- that the timing of the ricity Board explosioo was astly mistake. The IRA ı has now admitted re- ;ibility for the explosion, :s that enough warning given and that it did oot d to hurt anyone.

Ulster businessmen are beginning to face the reckoning, the cash cost of the war that costs lives, destroys property and frightens away investors. STEPHEN ARIS reports from Belfast on the week that their confidence was finally shaken.

But that, in a sense, is beside the point. It is what people *think* the IRA intended that matters—and they have therefore acted accordingly. All over Belfast guards are heing posted at the doors of offices and particularly oo public and Government huildings. Oo Friday morning I watched council workers at Belfast Town Hall lining up outside in the courtyard to have their photographs taken in preparation for the issuing of official passes. Each man was not only photographed, he was also given an ideotificatioo oumber. And at the offices of the Ministry of Commerce in Chichester Street, oot a couple of hundred yards away, the doors are kept locked throughout the day. Visitors are admitted only one hy one and only after they have tapped oo the glass to attract atteotioo.

This loss of oerve may only be temporary. If the Electricity Board incident proves to he a momentary aberration, then the people of Belfast may recover their hadly shakeo confidence. Indeed there were, according to the shopkeepers, some signs that this is heginning to happen. The trouhle is that every explosion frightens people away from the centre of the city and it is several days before their courage returns.

The reactions to the trouhle which hroke out oo the Springfield Road on the night of August 9 were sharp and immediate and the people who felt the effects most of all were the shopkeepers, puhlicans, cinema owners and hoteliers in the centre of the city. In the first week of the trouble, takings in some of the hig stores along Royal Avenue dropped hy 50% and absenteeism amoogst the shop workers rose dramatically. On the Monday and Tuesday of that week, 28% of the girls at Marks & Speocer stayed at bome—partly because they were frightened, partly hecause the barricades physically prevented them getting to work, and partly because the bus services were drastically cut hack.

Buses lose £200 000

Transport, or rather the lack of it, has undouhtedly heeo a major problem. In the last three weeks the Municipal Bus Company has had four of its huses hijacked and 49 damaged. To avoid the risk of further losses, all the depots have been closed down and the buses moved, with the cooperation of the Army, to Short's airfield just outside Belfast. From 6.30 in the evening they stand there, immohile hehind a high fence. And as a result of this dislocation the Transport Corporation, which was hoping to break even this year, now expects a loss of around £200,000.

Earlier last week there were signs that these difficulties were heing overcome. Marks & Spencer say that nearly all their girls had returned and husiness was getting hack to normal, while Rohinson and Cleaver next door say that they are only 10 to 15% down. On the other hand, some of the smaller shopkeepers in the arcades off Royal Avenue are still extremely despondent and depressed.

The shopkeepers have every reason to be worried. "If we give up the ghost," says Gordon Duffield of the Belfast Chamher of Trade: "Belfast will become a ghost town." But even so the economic consequences of the trouhle threaten not just the prosperity of the traders hut the viability of the entire province.

At the momeot it is still just a threat, for the ecooomic life of Northern Ireland is still a long way from total hreakdown. For that to happen, not only would the administration of the country have to hreak down, there would also have to he massive disruption of work on the shop floor. This has not yet happened nor, so far, is there any sign that it will. Thanks to the trade unions, the sectarian war has oot hroken out on the factory floor and, although 28 firms in Belfast have heen put out of action in the last three weeks, they have, with very few exceptions, heen one-man husinesses. The hig firms, such as Harlaod and Wolff in Belfast, ICI at Kilroot and Du Pont in Loodonderry have, despite some ahsenteeism, all heen working normally. The only firm to have had any significaot trouhle in receot mooths has heen Gallaher, the tohacco company, where there was a dust-up on the shop floor after some of the girls had taken time off to attend the funeral of an IRA man who was shot near the factory.

Some sectors of the community have actually henefited from the trouhles. With very few huses running after 6.30 pm, the taxi drivers are doing a roaring trade. With the partial hreakdown of law aod order, the lawyers are husier than ever hefore. The huilders, too, are having a field day. One enterprising firm up the Shankill Road has become so highly organised that its men, all of whom have cars and are on the telephone, are often on the scene of an explosion with pre-cut sections of hardhoard well before the fire brigade and the Army. There is not much profit in hardboard, hut the subsequent repair work, for which the Government pays, provides a very steady husiness.

But though one or two hard-faced huilders may he doing well out of the war, the consequences for everybody else are tragic.

No one knows just how much property has heeo destroyed in Belfast since August 1969. Up until the beginning of the recent trouhle the Belfast Corporation had received over 6,000 claims, on which over £2½ millioo has heen paid. But since the night of August 9 another 810 claims have heen received. Altogether some 1,200 to 1,500 families have heen made homeless.

The human implications are stark enough; hut the task of sorting out the consequent financial mess is truly horreodous. It is Stormoot, which takes over responsihility for public housing at the end of Septemher, that will have to bear the main hurdeo. According to the insurance companies, "99.9% of Belfast householders" have not taken out special policies to eover riot and civil commotion and therefore cannot claim from them.

And in any event, such policies, hoth for householders and for firms, have heen unohtainable at any price in Belfast for the past two years.

Private householders can get compensation, hut only from the Governmeot under the Criminal Injuries Act. And, until recently, the money was ooly forthcoming if the householder could prove that damage had been caused by three or more people. In the last couple of weeks this restriction has heen relaxed somewhat. All that the householder now has to show is that the damage was malicious.

Firms are much better protected. Even if they have riot cover the Government will foot the bill under the Act. But what worries the insurance companies is the mounting claims for fire damage hecause, as the man from the Commercial Union says, it is extraordinarily difficult in many cases to prove how the fire actually started. It is a prohlem that has caused a number of angry disputes hetween the Army's forensic experts and insurance company assessors.

But the complications created hy the troubles do not stop there. With so many houses changing hands as Catholics move out and Protestants move in, and vice versa, the squatting problem is reaching major proportions and landlords, hoth private and puhlic, are hard pressed to koow what hest to do. One estate agent, who manages a large numher of houses in the Shankill Road and on the Lower Falls, has solved the prohlem for the time heing at least hy appointing the sqnatters as caretakers and so legitimising them. I was shown a file of at least 30 agreements, all oeatly stamped and signed. The "caretakers" don't pay any rent, hut at least, so the argument goes, the landlord knows that his house is heing looked after. The Belfast Corporation operated a similar scheme until last Thursday, hut it has now taken a tougher line. "From now on" says the Town Clerk, David Jamisoo, "squatters will he evicted," though he acknowledges that it will not he easy to enforce this policy as the hailiffs are reluctant to eoter the trouhle spots. And he admits that the council stands to lose about £300,000 in rates, electricity payments and the costs of extra security.

These are the immediate practical prohlems of life today in Northern Ireland. But worse could follow. For the last couple of weeks the Catholics throughout the province have heeo refusing to pay rates, rents aod other public utility hills, with the avowed objective of hringing the administration of the country to a halt. Just what success this campaign is having is extraordinarily hard to say. Io Newry, a Catholic stronghold, where half the Catholic-controlled council has walked out, the organisers were last Thursday claiming a 95% success rate. At Strabane, another Catholic centre, the council has warned that all services are in danger of coming to a halt for lack of finance.

Worse than bombs

Whether the Catholics have the organisation and the solidarity to maintain this campaign, is a questioo that oot only the Unionists are asking. But if it is anything like successful it could, in the long run, do more damage to Ulster's economic life than all the homhs put together.

What the Governmeot and the husiness community fear, above all, is that confidence in Northern Ireland will be undermined. Already there are signs that the terrorist attacks, even though they may he highly localised, are frightening people away.

Despite heroic efforts hy the Tourist Board, whose management has heen completely reorganised in the past year, tourist income has dropped from a peak of £28 million in 1968 to £23 million in 1970. "We are trying very hard to maintain that figure," says John Quinn, the Tourist Board's marketing director, hut it is, despite ambitious plans for angling centres and the like, going to be a tough struggle.

Even more worrying is the fact that for the past 18 months Northern Ireland has attracted virtually no fresh foreign investmeot. Just to contain the unemployment problem, Northern Ireland needs to generate ahout 6,000 jobs a year. And so far, hy a comhination of geoerous incentives aod very aggressive selling, they have been remarkahly successful. Male unemploymeot at 10%, though horrifyingly high, has only risen at ahout half the British rate. And until quite receotly there were signs that a definite dent had been made in the unemployment figures of Londonderry, a designated growth centre. But the present picture is less encouraging.

In 1968 a total 6,599 new johs were created, 2,400 of which were provided hy new firms setting up for the first time. Last year, though the overall oumher of jobs dropped only very slightly to 6,484, the numher of jobs created hy new firms had slumped to 931. The Ministry of Commerce argues, with some justification, that this slump was as much the fault of the British and American recession as it was evideoce of a lack of confidence io Northern Ireland.

Banks cut credit

The Ministry has not issued any figures for this year, hut it claims that there are some foreign investments now in the pipeline. But eveo so it acknowledges that the treod is disturbing.

These figures are not the only pointers. Some Northern Irish firms report that English customers who take over 70% of their exports are hoth tightening credit and querying their ahility to deliver. And some Eoglish hanks are reported to be cutting hack on overdrafts.

The whole increasingly nervy atmosphere is summarised hy a sick joke currently doing the rounds of the Belfast husiness community.

English husinessman to Northern Irish husinessman: "I don't think I will invest in Northern Ireland. The situation is too dodgy."

Irishman: "Don't you helieve all you read in the Press. I have a fine joh, an exciting life and good prospects."

Englishman: "What do you do?"

Irishman: "I'm a rear-gunner on a hread van."

This story cuts two ways. At least the Irish still have a sense of humour. But what ahout the future? So far none of the English, German, American or Irish firms in Northern Ireland has decided to pull out. But will they continue to invest? Both Du Poot and ICI have emharked oo large investment programmes and are prohahly too big and too committed to withdraw.

But what about firms like International Computers Ltd., which three weeks ago announced that it was laying off a fifth of its 2,400 lahour force, due to a drop in the market for punched card equipmeot? The managing director, Eric Ingham, says that he can't see much of a future for punched cards heyond 1975/76. "What we do after that is up to the board in Londoo." And if the preseot discooteots contioue, ICL could well give Northern Ireland the thumbs down. That is the true dilemma and that is why they talk here so much about confidence.

PA ADVERTISING

2 Albert Gate
Knightsbridge London SW1
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REPLIES. Unless otherwise stated, please send comprehensive career details to the PA Advertising office indicated, quoting the reference number on the envelope. Replies which should not refer to previous correspondence with PA will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent.

Works Manager

£4,000 +

An Engineering Company engaged in the mechanical handling industry has a vacancy for a Works Manager at its plant located in the Home Counties.
The successful candidate will control production activity, liaise with managers on related activities, and operate within financial controls. Ideally he will be a C.E., M.I.Prod.E., and have at least three years' experience as a Works Manager in medium/heavy engineering, preferably within the automotive or allied industries; previous dealings with Trade Unions essential.
The appointment will carry free life assurance and pension scheme, and a company car will be provided. Generous assistance with relocation will be given. (London Office: Ref. 1/H8250/ST. Manager)

The Union International Company Limited

Training Adviser

London

The Union International Company Limited is looking for a Training Adviser whose principal duties include responsibility for a central training school, the encouragement of managers of associated companies to continue and improve their training programmes and to liaise with a number of industrial training boards.
Applicants should be aged around 35 with a general commercial background at management level, coupled with a sound appreciation of the personnel function including management development and training in a large company.
The Group is engaged primarily in the food trade, especially meat, and a background in the food industry would therefore be an advantage. The position which is London based requires a certain amount of travel and a car is provided. It is unlikely that those currently earning less than £3,000 p.a. will be successful.
Please apply in writing, in confidence, giving full personal details to The Staff Manager, The Union International Company Limited, 14 West Smithfield, London, E.C.1.

Sales Manager

up to £2,500 plus car

We are a small, but rapidly growing company selling a variety of fast moving lines by demonstration in department stores and at exhibitions.
We need a Sales Manager to further expand our sales through exhibitions. Reporting to the General Manager he will take full control of a dynamic and highly individualistic sales force and be responsible for achievement of exhibition sales and profit targets (currently a six figure turnover). Based in London, he will personally negotiate space at exhibitions throughout the country and make all necessary arrangements for effective demonstrations and profitable selling.
You are proud to be a salesman, aged 25-35, a good organiser, good with figures. Your sales career has been mainly in consumer products sold direct or by demonstration, preferably with experience at exhibitions. You are probably already a Field Manager, but keen to stretch yourself with a go-ahead young company.
We offer up to £2,500 including profit sharing and excellent prospects for a growth career. Fringe benefits include car, non-contributory pension and free life assurance.
Please ring (01) 235 6060 ext. 284 or write for an application form quoting this reference.
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The provision of skilled manpower is a vital element in Britain's aid to the developing countries. Your professional skills are needed overseas and you will have the satisfaction of doing a challenging, responsible and worthwhile job. Salaries are assessed in accordance with qualifications and experience. The emoluments shown are based on basic salaries and allowances. Terms of service usually include free family passages, paid leave, educational grants and free or subsidised accommodation. For certain of these appointments an appointment grant and a car purchase loan may be payable. Appointments are on contract for 2-3 years in the first instance, unless otherwise stated. Candidates should normally be citizens of, and permanently resident in, the United Kingdom.

TRANSPORT ADVISER
£4,495-5,630/Kenya

To advise on all matters connected with railways and harbours. Candidates should be under 55 and must have a knowledge of both railway matters and of road/rail relationships. They must also be prepared to advise on other transport subjects and knowledge of transport planning techniques would be desirable. Emoluments quoted above include a variable tax free overseas allowance of £495-1,130 p.a.

ASSISTANT DIRECTOR, TELECOMMUNICATIONS
£3,565/Botswana

To be responsible to the Director of the Telecommunications Section for the control and training of all technical staff: installation and maintenance of engineering equipment and planning for expansion of the telecommunications system. Candidates, male and 40-55, must have a degree in electrical engineering or other qualification exempting them from Parts I, II and III of the IEE or IERE exams followed (in the case of a degree) by graduate apprenticeship of two years plus considerable experience in Posts and Telecommunications work. A Gratuity of 25% of total basic salary is also payable.

AGRICULTURAL MARKETING ADVISER
Ethiopia

To advise on the standards of quality, grading and packing to be enforced and on the methods of enforcement; to train staff and advise on the price structure of the various crops; he will also be required to survey existing marketing arrangements and assist in the preparation of legislation. Candidates between age 40-50 must have a degree, preferably in economics, with several years' top-level experience in a developing country. In addition to salary, which is to be arranged, a variable tax free overseas allowance of £695-1,445 p.a. is payable.

ADVISER ON MANPOWER ASSESSMENT AND STATISTICS
Nigeria

To advise and assist in developing and improvi[ng] manpower and labour statistics programmes as p[art] of national development planning: devise and sup[er]vise appropriate manpower surveys and studies a[nd] translate development targets into employment term[s]. He must be under 50 and a qualified economis[t] statistician with relevant experience. In addition [to] salary, which is to be arranged, a variable tax f[ree] overseas allowance of £925-1,760 p.a. is payab[le]. Contract 18 months.

INVESTIGATION OFFICERS (INCOME TAX)
£2,729-3,257/Zambia

Required for the detailed examination of records [in] back duty cases. Candidates, male or female, shou[ld] be either CA, ACCA, ACWA or ACIS or have [a] degree in accountancy plus five years relevant exper[i]ence or be retired Inspectors of Taxes from Uni[ted] Kingdom Inland Revenue Department, Eire or oth[er] Commonwealth country. A Gratuity of 25% of to[tal] emoluments is also payable.

Foreign and Commonwealth Office

OVERSEAS DEVELOPMENT ADMINISTRATION

Further information may be obtained about any of these vacancies by writing briefly stating your age, qualifications and experience to:—

The Appointments Officer, Room 301C, Eland House, Stag Place, London, SW1E 5DH

CHIEF FINANCIAL ACCOUNTANT

City — to £4,500

Chartered or certified accountants aged 30-40, preferably with a degree, who have already gained commercial experience and are fully conversant with consolidated accounts, will find this position offers them an exciting opportunity. Our clients are the property division of a substantial public company. Reporting to the Finance Director, the successful candidate will control a staff of twelve and be responsible for the total accounting function, which is currently being computerised. There are excellent prospects for a man who combines ambition with a creative mind. Ref. 2786/ST. Apply to R. P. Carpenter, F.C.A., A.C.W.A., A.C.I.S., Reed Executive, 146 New Bond Street, London W1Y 0JU. Robophone 01-629 4455.

CHIEF ACCOUNTANT

Sheffield — to £2,500 + profit sharing

This is an exceptional opportunity for a young (21-25) ambitious chartered accountant to join a progressive engineering company whose success is based on planned growth. Reporting to the Financial Director, responsibility will cover preparation of monthly management figures, day to day running of accounts department and developing systems, costing and budgetary control including computerisation. Candidates direct from a medium sized professional firm will develop and progress at a rate dependent almost entirely on their own ability. Excellent conditions of employment. Ref. 1486/ST. Apply to J. R. Featherstone, F.C.A., Reed Executive, Yorkshire House, East Parade, Leeds LS1 5UA. Robophone: 0532 32000.

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John Dickinson

Management Accountant

John Dickinson & Co. Ltd. (a member of the Dickinson Robinson Group) employ 10,000 people, and have a turnover in excess of £45m. The Company manufactures paper and is the largest stationery manufacturer in Europe.

As the result of development in our Financial Division, there is a vacancy for a Management Accountant to be responsible to the Chief Accountant to co-operate with line management in the improvement and co-ordination of management accounting procedures.

We are seeking a man who has had practical experience of management systems and financial control information. He may be a qualified accountant or have had training in a similar discipline and, although age is not the primary consideration, he will probably be in his early thirties. He will be based at Hemel Hempstead and a salary of around £3,250 will be paid. There is a non-contributory pension scheme.

This is a new position within the Company and provides an exciting opportunity to exercise initiative. Further career opportunities within the Company or group structure will be open to the right man.

Write, giving brief career details to date together with current salary, to: The Company Personnel Manager, John Dickinson & Co. Ltd., London Road, Apsley, Hemel Hempstead, Herts.

a DRG company

ROCHE

CHARTERED ACCOUNTANT

We are seeking a Chartered Accountant to take charge of our Account[s] Department at Welwyn Garden City, Hertfordshire. Probably aged 30-35 he must have had experience of the organisation of a commercia[l] accounts department in industry. Knowledge of data processing tech[n]iques preferably on tape or disc, is also essential.

He will be responsible for a staff of about 40, covering costing, financia[l] accounting and cashier's work.

We are a member of a large international pharmaceutical and chemical organisation, based in Switzerland.

Write in confidence, for an application form and Company booklet, quot[]ing reference AA, to the Head of Personnel at:

ROCHE PRODUCTS LIMITED
15 MANCHESTER SQUARE LONDON W1M 6AP

ROAD ENGINEERS
WEST AFRICA

Ove Arup & Partners, Consulting Engineers, require qualified Civil Engineers for interesting road design and construction projects in West Africa.

Applicants should be of age group 30-40 years with at least 7 years experience of road design and/or construction, preferably in the tropics, and a working knowledge of soils. They must also possess essential qualification M.I.C.E. Corporate Membership of the Institution of Civil Engineers or its equivalent. Preference will be given to applicants who are single or married without children but those with children under school age may be considered. Basic salary will be according to age and experience but will be in the order of £4,200 p.a. sterling.

In addition to the basic salary, transport, accommodation, medical attention and economy class passages will be provided free of charge. Leave entitlement on full pay will be at the rate of 2 months per year of completed service. Salaries will be paid in Nigeria in Nigerian currency (£N = £1.1667 sterling).

We regret that only applicants with the above stated qualifications can be considered.

Applicants should apply giving particulars of qualifications, experience, marital status and full personal details to Ove Arup & Partners, 13 Fitzroy Street, London, W1P 6BQ, quoting ref. G.D.

The Naafi has career openings that few young people know about

Right now, we are inviting applications for places on our Commercial Training Scheme. Our organisation, vast and worldwide, is as much a business as it is a service. In our administration and management, we are highly professional and the young men selected for our Commercial Training Scheme can look forward to a variety of interesting, responsible jobs—and attractive salaries to match.

Candidates should be aged 18/19, and must have at least 2 GCE passes at Advanced level, or expect to obtain them during the year. Those who are accepted for the Scheme will receive three years' practical training through all departments at the London headquarters to acquire a basic knowledge of the business. During this time, you will have day release, so that you can work for HNC in Business Studies, or some other appropriate professional qualification. You will be paid on an increasing salary scale while you are in training and will enjoy worthwhile fringe benefits.

If you would like more details, please write to:

Manager, Personnel Department (PD/R)
Naafi
Kennings Way, London, SE 11
or telephone 01-735 1200, Ext. 462.

Financial Accountant
circa £3,000

Abbey Life Assurance Company Ltd., with a phenomenal growth record and a leader in the equity-linked life assurance field, has an opportunity for a qualified accountant.

The position will involve the commission accounting and marketing functions of the Company and the person appointed will have responsibility for both the technical and administrative aspects of the operation as well as the control of a staff of thirty. There are good prospects for moves within the general financial area of the Company in the medium term.

The successful applicant will have a minimum of 2 years' post qualification experience and a demonstrable record of success in either a professional or commercial environment.

Benefits include a non-contributory pension scheme and free membership of B.U.P.A. The general prospects in this rapidly developing Company are excellent.

Please write, giving full details of education and career, to: Mr. F. Allen, Personnel Manager, 1-3 St. Paul's Churchyard, London E.C.4M 8AR or telephone 01-248 9111 for an application form.

Abbey Life

London Borough of Wandsworth

District Housing Manager

£2,871-£3,285

Required at the District Office (Battersea) of Wandsworth's Housing Department.
Applications are invited from experienced, professionally qualified officers who are keen to progress in municipal housing.
This is an opportunity of a senior appointment, for the management and budgetary control of 6,000 dwellings which include high density estates with shopping facilities, and to maintain effective communication with Tenants' Associations.
The person appointed will be responsible for 62 administrative and estate staff. Removal expenses will be paid in appropriate cases.
Forms from Housing Manager, Welbeck House, 43/51 Wandsworth High Street, S.W.18 (Tel.: 01-874 6488, Ext. 1041. Closing 17th September, 1971.

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FINANCIAL DIRECTOR DESIGNATE

Qualified Accountant to work closely with Chairman of private building/development/property Group which must eventually go public from West London base.

Autonomous units dealing with private housing, commercial and industrial development, and building and contracting, have been created from organic growth. In addition to expanding these units, the Chairman wishes to consider growth by acquisition. The successful applicant must in particular have the ability to:

—oversee accounts matters of all units within the Group
—plan tax strategy
—quickly assess real value of acquisition prospects.

This post provides a first-class opportunity for someone not over 35 years of age, with proved ability, who can give solid backing to a self-made 47 year old property man.

Please send full details of experience and existing salary in own handwriting to:

Box AD573.

UTAH DEVELOPMENT COMPANY
(AUSTRALIA)
INVITE APPLICATIONS FROM SUITABLY QUALIFIED

**MINING ENGINEERS
CIVIL ENGINEERS
COAL MINE SURVEYORS
COAL CHEMISTS**

THE COMPANY has extensive Coal Interests in Central Queensland, Australia. Current Coking Coal Exports total 5.5 million tons per year and a dramatic expansion programme is underway to increase this to 13 M.T.Y.
Open Cut Mines are already established at Blackwater and Goonyella. A third mine is being developed at Peak Downs.
Employees are housed at a new township incorporating all modern facilities. Unfurnished homes are available or a nominal rental.
QUALIFICATIONS
MINING ENGINEERS and CIVIL ENGINEERS—A Degree in the appropriate disciplines.
COAL MINE SURVEYORS—The appropriate Certificates.
CHEMISTS—Preferably tertiary qualifications with extensive experience in a Coal Laboratory.
CONDITIONS
All positions carry attractive salaries and superannuation is available after a qualifying period. Successful applicants will be expected to migrate to Australia under the assisted migrants scheme.
Apply in writing, giving full details to:— C. V. Peake, 41 Chatsworth Drive, Mansfield, Notts.

The Bassett Group is one of Europe's leading manufacturers of sugar confectionery with an impressive growth record.
We are looking for a

GRADUATE

for a career in production management.
The successful candidate will already have about two years' experience in a production capacity and will now be looking for a progressive position at departmental management level. The Group provides excellent opportunities within a forward looking and dynamic environment.
Please write, in confidence, with brief personal and job history, to: J. M. BEWLEY, Group Personnel and Training Officer.

Geo. Bassett Holdings Ltd.
P.O. Box 80, Beoiair Rd, Sheffield S6 2AP. Tel 345251

Berk Pharmaceuticals Ltd.

Personnel Manager

An excellent opportunity exists for a man wi[th] experience in modern personnel practice for a positio[n] in a young expanding company, which has recent[ly] become a member of a large international grou[p]. Reporting to the General Manager, he will be locate[d] at Shelford in a pleasant rural part of Surrey.

He will be responsible for the provision of comprehensive personnel service and certain offic[e] service functions, and training of all personnel othe[r] than sales staff. Aged between 30 and 40, he shoul[d] have at least 3 years' practical personnel and trainin[g] experience in a modern profit conscious environmen[t] preferably in a process industry.

The salary will depend on age and experience, bu[t] will interest a man currently earning about £2,500 p.a. Assistance with relocation expenses, annual bonus an[d] pension scheme.

Please write giving brief details of age, qualification[s] experience and present salary to:—

Dr. T. M. Cook, General Manager,
Berk Pharmaceuticals Ltd.
Station Road, Shelford,
Nr. Guildford, Surrey.

PUBLIC

THE GEOLOGICAL MUSEUM
INSTITUTE OF GEOLOGICAL SCIENCES

EXHIBITIONS OFFICER

Salary Range: £1,900-£2,352

An Exhibitions Officer (Research Assistant Grade I) is required to organise and manage the exhibition preparation section of the Geological Museum. The successful candidate will plan, design and participate in the production of exhibitions, wall-charts and other publications on earth science topics using data supplied by scientific staff. He will also be required from time to time to work in co-operation with leading design consultants on large scale exhibition projects.

Applicants should preferably hold suitable qualifications in graphic and three-dimensional design and must produce tangible evidence of experience and accomplishment in exhibition and display design extending over at least five years.

Starting salary according to age and experience. Superannuation arrangements. Requests for application forms should be addressed to the Director, Institute of Geological Sciences, Exhibition Road, London, S.W.7.

Closing date: 30th September, 1971.

NATURAL ENVIRONMENT RESEARCH COUNCIL.

PUBLIC

INSTITUTE OF GEOLOGICAL SCIENCES

EXPERIMENTAL OFFICERS

Salary Range: £916-£2,352

Applications are invited for two Assistant Experimental Officer/Experimental Officer posts in the Hydrogeological Department of the Institute of Geological Sciences, Exhibition Road, London, S.W.7.

DUTIES: Collection of field data and their collation with laboratory and office studies; preparation of regional and local surveys; record curation; and preparation of data for publication.

POST A: A hydrogeological background, preferably with physics or mathematics, is desirable. Some short-term overseas service may be required.

POST B: An interest in recording of data and their publication is necessary. Some experience of data preparation for publication by computer is desirable.

QUALIFICATIONS:
At age 22 or over—pass degree, HNC or equivalent qualification.
Below age 22—2 "A" level passes in Scientific/Mathematical subjects.

For both posts a current driving licence would be an advantage.

Starting salary according to age and experience. Superannuation arrangements. Requests for application forms, stating for which post you are applying, should be addressed to the Director, Institute of Geological Sciences, Exhibition Road, London, S.W.7.

Closing date: 27th September, 1971.

NATURAL ENVIRONMENT RESEARCH COUNCIL.

SCIENTISTS & TECHNOLOGISTS

UNIVERSITY OF ST. ANDREWS
WELLCOME LABORATORIES OF PHARMACOLOGY
GATTY MARINE LABORATORY

Applications are invited for the posts of

POST-DOCTORAL RESEARCH FELLOW
AND
RESEARCH ASSISTANT
FOR PROJECTS ON INVERTEBRATE NEURO-PHYSIOLOGY AND BIOCHEMISTRY

The appointments will be for a period of one year in the first instance from 1 September, 1971, and the salaries will be related to age and experience. The Research Assistant will be given the opportunity to work towards a higher degree.

Applications should be made in writing to Dr. G. A. Cottrell, Wellcome Laboratories of Pharmacology, Gatty Marine Laboratory, St. Andrews, as soon as possible.

INTERNATIONAL TRADE

Small, but growing trading subsidiary of leading Merchant Bank seeks an experienced

GENERAL MANAGER

Preferred age 35-45. Appropriate salary and generous fringe benefits.

Applications with full details to Managing Director, Box AW690.

London Borough of Wandsworth

Director of Housing

This is a new post

The task is to form a new department from the groups of staff now concerned with housing in Wandsworth, and to direct its activities towards promoting housing standards in the Borough to the highest level.

Responsibilities will include management of 22,000 properties with an annual rent of some £4 millions.

The post carries membership of the Executive Board.

The appointment is offered on Chief Officers' terms and conditions, with travel allowance within the salary scale £6,297-£7,041.

Candidates must be able to show extensive administrative and management ability, and should hold a qualification appropriate to the field of housing.

Further details and application form from: Establishment Officer, Municipal Buildings, Wandsworth, London, S.W.18 (Tel.: 01-874 6464, Extn. 390). Closing date: 11th October, 1971.

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Expanding international trailer operators require Northern ar[ea] Sales Manager, to consolidate their existing business and genera[te] new business throughout the Northern and Midland counti[es]. Tremendous opportunity for a fully experienced man with prov[en] ability, who can justify a commencing salary in excess of £3,0[00] p.a. plus commission. Company car and usual fringe benefits. A[ll] applications which will be treated with the strictest confidence, i[n] writing to: J. J. Halpin (Hauliers) Ltd., Cherry Garden Wharf, Cherry Garden Street, London, SE16 4TU.

INDICATOR	PROFITS	DIVIDENDS	PRICE CHANGES
Last week	£18.9m (+14.6%)	Up: 35 Down: 7 Same: 25	The Times Industrial Share Index 168.28 (+2.64 on the week) Rank Org. Ord. 817p (+52p) Equity and Law 290p (+36p) British Sugar 345p (+30p)
Last 52 weeks	£5,026 (+4.5%)	Up: 1,622 Down: 566 Same: 1,617	Ultramar 290p (+22p) De Beers 450p (−35p) Doxford & Sunderland 39p (−9p)

Figures show annual pre-tax profits for companies reporting last week and over the 12 months.—Statistics by Exchange Telegraph

BRITISH FUNDS

FOREIGN STOCKS

DOLLAR STOCKS

BANKS AND DISCOUNTS

BREWERIES AND DISTILLERIES

COMMERCIAL AND INDUSTRIAL

1970/71 High	Low	Company	Price	Ch'ge	Div. pence	Yld. %	P/E
20		Butterf'd-Hvy.	31	−5½	1.8	6.1	8.3
23		Bydand	26	+3	...	...	...
40½		Cadbury Sch.	67	+9½	4.0	4.8	20.6
63¾		Campari	121	−1	4.7	6.9	14.4
56½		Camrex Hgs.	165	+26	4.2	2.6	16.2
109		Cape Asbestos	167	+14	6.9	4.1	20.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1970/71 High	Low	Company	Price	Ch'ge	Div. pence	Yld. %	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
45	20	Letraset	● 40	+5	1.4	3.5	13.1
160	112½	Lewis & Peat	● 150	...	7.5	5.0	13.5
155	100	Do "A"	● 145	−1	7.3	5.2	13.1
246	96½	Lex Services	248	+11	5.8n	1.5	16.4
56	25	Leyland Paints	54	+½	5.5	4.1	16.7
90	2½	Lines Bros.	5½	−¼	...	...	...
59½	29	Lister & Co.	53½	+9½	5.5	6.5	26.1
85	40	Lloyd, F. H.	84½	+4	4.9	6.0	14.3

1970/71 High	Low	Company	Price	Ch'ge	Div. pence	Yld. %	P/E
14	8	Locker, T.	12½	−½	8.5	6.4	16.5
98	50	Ldn. & M'land ●	91	−5	5.0	6.5	8.3
103	56½	London Brick	98	+1	3.8	3.9	17.9
308½	158	Lucas Ind.	278	+24	6.8	3.0	14.4
334	220	Lyons (J.) Ord.	334	+19	15.0	2.5	20.6
M—N							
137	78¾	M.K. Electric	135	+4	4.5	5.3	13.3
75½	60	McKechnie Bros.	76	−1	4.0	5.5	12.3
64	28	McLean John	57	...	3.3	4.5	6.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1970/71 High	Low	Company	Price	Ch'ge	Div. pence	Yld. %	P/E
33	16½	Metalrax	32	−1	1.0	5.0	9.7
55	20	Meyer M. L.	52	−1	3.0	5.8	11.7
88½	40	M.E.M.	78	—	2.5	3.2	16.0
92	45	Midland Alum.	74	...	5.8	6.8	12.4
110	73	Miles Druce	91	−4	5.5	6.0	8.4
57½	18	Miller Stan.	21	...	2.0	0.5	11.9
42	17½	Modern Eng.	40	—	2.8	6.8	13.4
140	81½	Morgan Cruc.	134	+2	5.3	3.5	15.8
20	11½	Mt. Charlotte	16	+½	0.7	4.1	14.7
95½	35½	Muirhead	65	+15	0.3e	0.4	...
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

● Ex dividend. a Ex all. b Forecast dividend. c Corrected price. e Interim payment passed. f Price at suspension. g Div. and yield exclude a special payment. h Bid for company. k Ex capital distribution. o Forecast earnings. p Pre-merger figures. r Ex rights. s Ex scrip. t Tax free. y Price adjusted for late dealings. ... No significant data.

(Further Stock Market quotations may be included in this table at a rate of £78 per annum per quotation.)

In the price earnings ratios on this page the share price is compared with the company's annual profits. Latest available earnings are used, allowing for corporation tax, normally on a 42½ per cent basis, trusts, banks, insurance companies along with certain mines and overseas groups excluded.

UNIT TRUSTS

	Bid	Offer	Yield
[illegible]	[illegible]	[illegible]	[illegible]

O—Q

R—S

T—Z

FINANCIAL TRUSTS

1970/71 High	Low	Company	Price	Ch'ge	Div. pence	Yld. %	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
283	118½	Jessel Secs.	262	+3	12.0b	4.6	14.6
113	85½	Lloyds & Scot	109	+5	3.2b	2.9	29.9
200	111½	Mercantile Crd.	200	+15	6.4	3.2	22.0
168½	62½	Ralli Int.	126	+4	5.0	4.0	16.8
88	39	Refuge Secs.	60	+5	3.0	4.8	9.8
224	103½	Utd Dom. Tst	● 224	+14	6.5	2.8	17.7
81	32½	Western Credit	81	+7	2.6	9.2	...

INSURANCE

INVESTMENT TRUSTS

SHIPPING

MINES

OIL

PROPERTY

RUBBER

MISCELLANEOUS

REGIONALS

1970/71 High	Low	Company	Price	Ch'ge	Div. pence	Yld. %	P/E
26	15	Bakers Stores	18	+2	1.0	5.0	5.3
145	75	Beechwood	138	−2	5.5	4.0	11.9
67	23½	Belgrave B'th.	62	+3	3.5	5.6	7.5
50½	16	Bellair Cos.	34	−4	2.3	9.4	7.1
47½	20	Dolan W.	32	−1	2.5	8.0	11.9
36	25½	Evans F. W.	34	...	1.8	5.2	0.0
102½	45	Navan Carpets	45	...	4.1	6.3	0.8
12½	0½	Nth. Mid. Const.	11	...	1.1	10.0	4.2
32½	17½	Pressed Felts	22½	...	2.6	8.0	5.9
165½	139	Youghal C'pts.	143	...	10.0b	7.0	8.2

NEW ISSUES

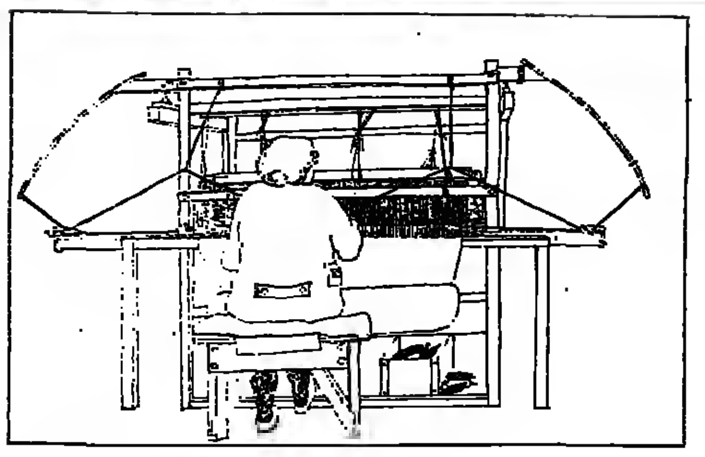
Issue Price		Price	Rise or Fall
75	Allied Polymer 25p	78½	+1½
—	Cesalt 25p	58	...
80	Evans of Leeds 25p	107	+3
44	Forminster 10p	55½	+½
80	Kettering Motor 10p	118	−2
52	Lawdon 10p	63	...
55	Marshall, Morgan 25p	69½	+9½
62	NSS Newsagents 10p	86	+8
—	Unitech 10p	90	+5

Sales and Marketing Appointments ● Sales and Marketing Appointments ● Sales and Marketing Appointments

SUNDAY TIMES BUSINESS NEWS

Prufrock

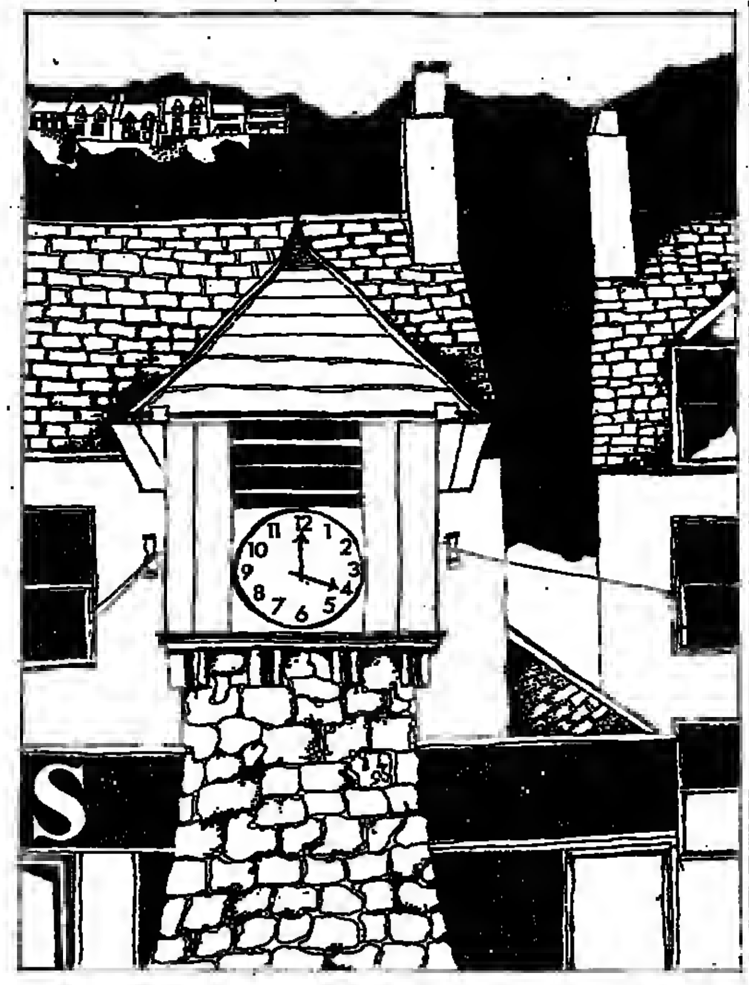
ON THE ISLE OF MULL



Mrs Evans: a hand-loom is Art

Angus McIntyre: bank manager

Drawings by Annie McMillan



Where they poach properly

"I CAN ALWAYS tell how my customers are faring, just by looking out of the window. If they skulk by furtively, I know things are going wrong. If they go breezily by with a smile and a wave, I know things are going well." Angus McIntyre, of the Clydesdale Bank, is the only bank manager in Tobermory, the tiny jumbled town around a wooded bay which is capital of the Isle of Mull. His kingdom is extraordinary—where poaching is politics, illicit-making is turning into a healthy secondary industry, and even the Highland Games, a dying species on the mainland, keeps its head above water for the sake of the community. And Angus McIntyre is an extraordinary bank manager. He has to be.

He writes. And he reads. He writes and declaims verses for weddings and verses for ceilidhs and verses for functions; "I know all about deadlines," he says, understandingly. "It's a terrible business having the words ready for the right time."

His office files bulge with the business of the Council of Social Services, a vocal organisation here which stands as a sort of island Parliament; and the business of the Highland Games. He has to be involved with his community, because his community is traditionally not very interested in being involved with banks.

"Everybody on the island is honest," he says, with a sigh. "They do not have to lock their doors at night." McIntyre is left with the job of getting all the cash out from under the beds and into the bank. "It's the Inland Revenue that is making the change," he says. "They have their tentacles even here." But what the farmers still hoard is anybody's guess. In one robbery a few years ago, £6,000 in cash was stolen from a small farm.

You don't talk about turnover or profits in a small business in Tobermory; the neighbours might get to hear. Isobel Evans, with her husband Bill, makes and sells rich tweed and fine mohair from the old Free Church that overlooks Tobermory Bay. What Mrs Evans will say about turnover is that, in three years since they bought the church, it has more than doubled. Their extraordinary, Godly-dull headquarters has done more for them than it ever did for the Free Church.

The Evans' business started out of Bill Evans's retirement—"he was a naval officer, and they're active types. They need something to do." Bill Evans learnt to weave. "We moved the Welsh dresser into the garage to show the stuff, and gave hand-weaving demonstrations in the drawing room. We had queues. We reckoned if people would struggle up that hill to see weaving, we'd be better still with a place on the front."

Now six weavers work at the looms in winter and at selling from Easter to October. Only one-sixth of the goods they sell now come from Mull: the rest has to be imported to feed booming tourist appetites for good things from the Islands.

"Nobody wants to be weavers now, not in the mills; but they like to do it on a hand-loom because that's Art," Mrs Evans says.

What the Evans took over as a damp, and weed-infested building, stained witb smoke from the oil stoves, is now a miniature supermarket for cloths and crafts. "The building really is structurally sound," Mrs Evans says, defeosively. "I mean, the steeple bas always been squint like tbat, ever since it was built. . . ."

Mrs Evans came back to the island—she was born in Tobermory. The call of the place itself, and the stronger call of family duty, have been bringing back the Browns for generations. Grandfather Brown quit shipping in 1898; Uncle Alan Brown quit engineering in 1936; and now Alistair Brown has left bis job as assistant export manager in a paints firm to slowly take over the family business. Which is a store, a glorious jumbled store, with whisky next to the disinfectants, and strange tackle for yachts, and paints and carpet sweepers and soap. "People sometimes get quite annoyed wben we say we don't sell mince," Alistair says. "I bave to tell them tbey'd be better off going to the butcher."

He made a conscious decision to return, tired of living "in a standard British housing unit with the same car and the same furniture and the same ideas as everyooe around." The first stage of the return was exile to Tiree, a nearby crofting island wbere the Browns have anotber store. His wife found tbe community too closed and clannish for her taste. But on Mull, they have found the adjustment surprisingly easy. "People are courteous here, they look after you. And they are honest. . . ."

Since Mull became a favourite film location, there are cameramen and location managers who would scratcb their heads at the idea of honest Muileachs. Tbe saddest break in the islanders' openness came wben the film money came; laundry bills at £4 the shirt, minute lobsters at £5 for three pointed up a rapacity which nobody bad eveo feared.

But the basics of island life are still as Alistair Brown says—"respect for the individual. Nobody minds what you are like, provided they like you. . . ." The basics are also hard work on the land, poteotially a store-house for thousands more cattle than run there at present; and at the forestry. And a certaio amiable eccentricity.

Take tbe poaching. Only recently is it turning commercial and organised. The old splash-net fishing, driving salmon into a net between the shore and the boat, was a political act; the fish belonged to everybody, and the Muileachs repossessed some from time to time. The prioclple was strong enough to embarrass one local landowner. He got bimself invited to go out at night to poach salmon from water, he tbought, near his home. The net was dropped, the salmon ran, the net tightened and the catch was aboard. Landowner lit a cigarette. Furious whispers followed; the cigarette was knocked from his hand. "Do ynu want that someone should see us?" he was asked. Landowner coughed slightly aod apologetically pointed out that he did, in fact, owo the fishing rights oo that water.

"His own bloody water?" The landowner was beached, the fish thrown back, and the poachers went off—to poach properly. . . .

Michael Pye

What's wrong with a sitting target?

ANY OTHER BUSINESS

by Nicholas Faith

£ The most important news the business pages should bave carried last week was the sensational fall in the price of grouse—at the wholesale level anyway. Yet this major item was relegated to the commodity pages of the Financial Times, alongside more everyday items about disturbing developments in the copra world, yet more horrors in molybdenum, and lighter titbits about greasy wool futures.

Instead, apart from the money crisis (a foreign thing, and therefore not to be blamed on changed British habits) came the intrusion of the first non-brewer intu publand—important, also, because Maxwell Josepb, wbo finally acquired Truman's, is, allegedly, the first Jewish brewer (seems unlikely, I'm sure the Rothschilds must have owned a superior ale-bouse or two in their time). Mark you, true to form, Watneys, the brewer which supposedly "lost" to Joseph, made a cool £2 million capital gain on the shares bought during the battle—as if to warn other potential entrants into the brewing club that the entrance fee was high.

But back to the grouse—and indeed, in a previous August summer such an important bid battle was bighly unlikely in the six weeks after Goodwood races and inconceivable after August 12. But now figures in the City and politics are reluctant to be publicly linked to the grouse shooting season; the image of aristocratic casualness associated with the bird is so far out tbat a public appearance would be dangerous. Yet shooting grouse (unlike hunting foxes, otters or badgers) has no anti-blood sports overtones and even I once shot one. (Mark you this was in self-defence; it was sitting there glaring at me; him or me I thought, and I eventually won the tense and lonely battle between us bigh on the sunlit Denbighshire moors. I still don't understand why it is so wrong to hit them when they are stationary.)

Yet even work can be combined with sbooting. A friend of mine in a major public company recently received a report back from his vice-cbairman covered with pawmarks and accompanied by an apologetic note; the document had, apparently, been trodden on by a retriever in the butts. But this vice-chairman was a rarity. Meritocracy is all the rage in tbe City as in the Tory party, and meritocrats have to react against the Macmillan image—represented, so far as the City is coocerned, by the evidence to the Bank Rate leak tribunal of 1957 about productive cbsts on the moors.

£ Now meritocracy may work in the Tory party. But in the City, it is entirely out of place. The City was fine when it was run by a mixture of aristocratic borse dealers and cockney traders, with no damned nonsense about education (I still can't get used to the idea that stockbrokers now actually have to pass *exams*).

This earlier combination, itself very much a mirror image of Disraeli and Lord Randolph Churchill's idea of the ideal Tory party—a mixture of workers and aristocrats—worked very well for the jobs the City was then doing, and should now confine itself to. Both classes were instinctual traders; they were naturally excellent judges of the odds—on a horse, a person, a proposition of any sort. They did not pretend to understand any business except that of money. They had a rough and ready code of bonour among themselves. They had fouoded a huodred years of profitable invisible exports on the simple proposition that a long term business was built up best by taking very small percentages on a lot of money or goods moving very fast and frequently.

In this they were wiser than their competitors in Europe and the US who tended to be greedy short term. Like all the best trading communities they were deeply suspicious of outsiders and reckoned that it took a generation before such exotic animals as the Danes (like the Hambros) and the Germans could be entirely accepted.

Two things undid the City: the last war and the control of too mucb of Britisb business. The war froze pre-war attitudes and people at the top for too long so the City was slow to adapt. And the vast sums of institutional money around brought in new men and new responsibilities. Previously Citymen (often excellent judges of menflesh as of horseflesh) were prepared to change the managements of non financial businesses. But they never reckoned much on understanding the nature of these businesses. I once asked my uncle Sidney, a Cityman of the old school, the exact business of a company whose shares he was recommending: "Making money," he replied in some bewilderment. It was none of his business to know more.

£ But with institutional money came institutional managers, careful, well qualified professional persons, actuaries, accountants, lawyers who brought with them several tendencies which are ruining the City. First, they are not instinctive money or decision makers deciding on insurance propositions (like shooting grouse is a matter of a quick eye); secondly, they brought with them the idea that formal professional training is a good thing—so mucb so that there are even merchant banks which will now only recruit accountants; yet anyone prepared for the careful slog of accountancy is, by nature, disqualified from the cut and thrust of City life. So the City is now in severe danger of being ruined. Deservedly it has a bad reputation for its indecisiveness in rooting out the deadwood from Britain's boardrooms. It has lost the instinct for going where the money is (its much-vaunted success in the Euro-dollar market is mostly due to American-owned banks here who do three-quarters of the business). And because City tradition was against large-scale organisation, the bigger businesses—clearing banks, insurance companies—have been sloppily run in the past. Could be that when we go into the Common Market it will be the smug old City, not apprehensive manufacturing industry, which will suffer the worst—though I expect the "amateurs" to make a pretty penny letting some of their less productive moors to aspiring Euroshots.

APPOINTMENTS INDEX

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